

The NATIONAL UNDERWRITER

Life Insurance Edition



RALPH O'BRIEN

Ralph "Buckshot" O'Brien was an All-American basketball star in college and played professionally in the National Basketball League for three years.

With no previous sales experience he began selling Franklin exclusives in July 1954. Here's his record of cash earnings since that time:

\$12,047.17

GENERAL AGENCY
OPPORTUNITIES IN
WARREN AND
YOUNGSTOWN, OHIO

**"Over \$1,000 a month
in my rookie year"**

Indianapolis, Indiana
June 21, 1955

Mr. Francis J. O'Brien
The Franklin Life Insurance Company
Springfield, Illinois

Dear O'B:

On July 15 I will be ending my "rookie year" with the Friendly Franklin, and what an unbelievable year it has been! I have had rookie years in basketball since 1942 in high school, college and the National Basketball Association, but this year has been the greatest of them all.

The entire Franklin team is really "tops" as I discovered soon after joining the Company. I have had the best in coaches to help me during the first year. Woody Norris, our General Agent, has been a constant source of inspiration and help at all times as he is to all of his Agents. I have also received a big "assist" from C. R. Willsey, our Regional Manager, and always fine cooperation from the Home Office.

I never seem to be able to find enough hours to contact all the people I would like to see, for everyone is a potential client with the tremendous Franklin Exclusives we have to offer: PPIP, JISP, Home Protector and GLA. I have sold *only* these Franklin Specials during the past year and my shooting percentage has been approximately 70% in sales completed. I still can't believe that *I am earning well in excess of \$1,000 a month*. Coupled with the above handsome financial return is the importance to me of enjoying every minute with each client and the feeling of having done these same clients a real service.

Thanks, O'B for allowing me to share this first year review with you for I feel that I have found a lifetime "position" on the greatest life insurance "Team" of them all, The Franklin Life Insurance Company, and I am eagerly looking forward to continued success in each coming year.

Sincerely,

(Signed) Ralph "Buckshot" O'Brien



The Friendly
FRANKLIN LIFE INSURANCE COMPANY

CHAS. E. BECKER, PRESIDENT

SPRINGFIELD, ILLINOIS

DISTINGUISHED SERVICE SINCE 1884

*The largest legal reserve stock life insurance company in the U.S. devoted exclusively to the underwriting of Ordinary and Annuity plans
Over One Billion Eight Hundred Million Dollars of Insurance in Force*

FRIDAY, AUGUST 5, 1955



RESERVE LIFE AHEAD OF 1954 RECORD FIGURES!

In **1954** Reserve Life Insurance Company set three outstanding company records — in assets . . . in capital, surplus and voluntary contingency reserve funds . . . and cash benefits paid to policyholders.

Now, in the first six months of 1955, Reserve Life is way ahead of even those sensational records. Assets have reached an all-time high of more than \$39,164,000.00. Capital, surplus and voluntary contingency reserve funds now total more than \$18,300,000.00. Such funds provide Reserve Life policyholders with an ade-

quate safeguard for their investment. Since January 1, Reserve Life has paid out over \$10,700,000.00 in life, hospitalization and disability benefits.

Such record-breaking activities are customary at Reserve Life. The company has gained strength and solidity with every year, setting new records for over 17 years. In fact, the success of Reserve Life has been judged phenomenal by authorities in the field. Success has been due largely to the sound value of its insurance, plus the good service the company gives its policyholders.

RESERVE LIFE INSURANCE COMPANY of DALLAS, TEXAS

Statement of Condition as of June 30, 1955

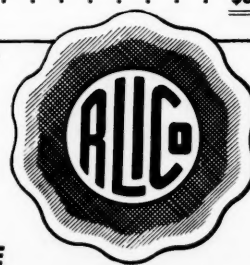
ASSETS		LIABILITIES AND CAPITAL	
Cash and U. S. Government Bonds	\$ 5,673,034.44	Life Policy Reserves	\$ 9,330,000.00
Other Bonds:		<small>This amount, with interest and future premiums, will provide funds for payment of benefits as they become due.</small>	
State, County and Municipal	\$ 159,631.42	Accident and Health Reserves	5,506,305.00
Domestic Corporation	4,535,939.95	<small>Unearned premium reserves for payment of future claims on accident and health and hospitalization policies.</small>	
Canadian and Foreign	65,727.48	Claim Reserves	3,119,501.35
Stocks:		<small>For incomplete and incurred but unreported claims.</small>	
Preferred	\$ 890,936.69	Accumulated and Unpaid Dividends	
Common	6,404,251.18	to Policyholders	132,029.77
First Mortgage Loans on Real Estate	12,312,612.70	<small>Set aside for payment in 1955 to participating life policyholders eligible to receive them. Also includes reserve for dividends left with the company to accumulate at interest.</small>	
Real Estate	5,552,475.04	Taxes Due and Accrued	751,905.78
Policy Loans and Premium Notes	518,471.69	<small>Liability for 1954 taxes due and 1955 taxes accrued.</small>	
<small>Secured by policy reserve.</small>		Other Reserves and Liabilities	1,969,383.43
Life Premiums Due and Deferred	404,456.00	Total Liabilities	\$20,809,125.33
<small>Life premiums in course of collection, and balance of premiums due to complete current policy years. Proper offset liabilities are included in life policy reserves.</small>		Capital	\$1,000,000.00
Investment Income Due and Accrued	227,635.00	Contingency Reserve	8,355,192.21
Other Assets	2,419,145.95	Unassigned Surplus	9,000,000.00
Total	\$39,164,317.54	Additional Security	
		to Policyholders	18,355,192.21
		Total	\$39,164,317.54

RESERVE LIFE INSURANCE COMPANY

A Legal Reserve Stock Company

Home Office: DALLAS, TEXAS - Regional Office: CINCINNATI, OHIO

OVER 2,000,000 AMERICANS ARE PROTECTED BY RESERVE LIFE



The NATIONAL UNDERWRITER

The National Weekly Newspaper of Life Insurance

59th Year, No. 31
August 5, 1955

J. M. Bryan Slated to Succeed Hubbell as ALC President

Nominate Irish, Stewart, Wilson, Wetterlund for Executive Committee

Joseph M. Bryan, chairman of Pilot Life and 1st vice-president of Jefferson Standard Life, is the choice of the nominating committee to be the next president of American Life Convention.



If elected, Mr. Bryan will succeed F. W. Hubbell, president of Equitable Life of Iowa, who will serve as president until the close of the 50th annual meeting of ALC to be held at the Edgewater Beach Hotel, Chicago, Oct. 10-14.

Nominated for membership on the executive committee were Rolland E. Irish, president of Union Mutual Life; Harry J. Stewart, president of West Coast Life; Howard S. Wilson, president of Bankers Life of Nebraska, and R. J. Wetterlund, chairman of Washington National. All nominations were for three-year terms and none of the men named has served a previous term.

For the first time in several years the executive committee will be composed of 12 members serving out standard three-year terms, plus two past presidents serving two-year terms ex-officio. The ex-officio members next year will be Mr. Hubbell and Ralph R. Lounsbury, president of Bankers National Life. The ALC constitution provides that additional nominations can be made from the floor at the annual convention.

Mr. Bryan was a member of the New York Cotton Exchange from 1923 to 1931 when he joined Jefferson Standard Life. In addition to his positions with that company and Pilot Life, he is president of Jefferson Standard Broadcasting Co. which operates stations WBT-WBTV, Charlotte, N. C., and WBTW, Florence, S. C.

Active in ALC for many years, Mr. Bryan served seven years on the board of regents of the Life Officers Investment Seminar. In 1949, as chairman of the Financial Section, he was primarily responsible for the seminar. He has served on several ALC committees or subcommittees, particularly the committee on economic policy. In addition he served on the joint ALC-Life Insurance Assn. committee on federal income taxation of life companies.

Jefferson Standard July Record

Jefferson Standard Life sales set an all-time company record for July with a total of \$22,216,491, a 40% increase. The company reported a good "sales spread" over its 29-state, District of Columbia and Puerto Rico territory.

Murchison Forms New Insurer, Seeks to Buy Western States Life

Clint W. Murchison, the Texas industrialist-financier who controls Atlantic Life of Virginia, Lamar Life of Mississippi and Midland National Life of South Dakota, is forming a new \$16 million life insurance company in Virginia and also is reported as attempting to buy control of Western States Life of North Dakota.

Virginia corporation commission has granted a charter to the new Virginia company, capitalized at \$16 million. Robert V. Hatcher, president of the Murchison-controlled Atlantic Life was listed on the charter as a vice-president of the new concern, to be known as Life Companies, Inc.

The president is John D. Murchison of Dallas, son of Clint W. Murchison. Other officers listed on the charter application are Coleman A. Hunter of Richmond, Peter K. Lutken Sr., president of the Murchison-controlled Lamar Life, and Clifton M. Miller Jr., all vice-presidents; and Howard R. Sluyter of Dallas, secretary. The officers are the directors.

The home office will be located in (CONTINUED ON PAGE 16)

Loss of \$300,000 Item Won't Affect NALU Building Plans

WASHINGTON—The supplemental appropriation bill went to the President without the \$300,000 Senate amendment providing for government purchase of lots in square 62 here, site involved in the proposed exchange of the headquarters building site of National Assn. of Life Underwriters.

John D. Marsh of J. D. Marsh & Associates, a member of NALU building committee, said failure of the item will not affect NALU's building plans. These, incidentally, must be passed upon by the fine arts commission and D. C. building inspector.

CLEETON COMMENTS

NEW YORK—With the last barriers in Congress removed, a spokesman of NALU said today the NALU will now go ahead as rapidly as possible with construction of its new headquarters in Washington.

Charles E. Cleeton, chairman of NALU's building committee, said by telephone from his Los Angeles office:

"We now have full use of our property. We are going ahead just as rapidly as possible. I spent Monday and part of Tuesday with the architects. We do not have a time table for ground breaking, but we are now perfectly secure and will go right ahead."

The general services administration proposed to Congress an appropriation to buy the NALU site at 22nd and C Street now used as a parking lot. While the appropriation bill was pending, NALU's building committee appeared before the appropriation's committees of both houses of Congress. The proposed appropriation was denied and the bill passed without it, which leaves NALU free to proceed with its plans.

TWO NEW FEATURES

Symposium, Panel to Highlight NALU Convention Session

Two new features will highlight the second general convention session of National Assn. of Life Underwriters on Aug. 26 in St. Louis. The traditional NALU fellowship luncheon at 12:30 p.m. will follow the second session and bring the five-day annual meeting to a close.

A symposium, "Our Allied Associations," will be moderated by NALU Managing Director Lester O. Schriver. Participants will be Bruce Shepard, manager, Life Insurance Assn. of America; Claris Adams, executive vice-president, American Life Convention; Charles J. Zimmerman, managing director, LIAMA; A. H. Thiemann, 2nd vice-president of New York Life and president of Life Advertisers Assn., and Holgar Johnson, president, Institute of Life Insurance.

A panel discussion, "The Street Agent Speaks," will be moderated by Horace R. Smith, superintendent of agencies of Connecticut Mutual Life. Panelists will be Thomas B. Rosser, Metropolitan Life, Dyersburg, Tenn.; F. H. Manning, Equitable Life of Iowa, Kansas City, Kan.; and Robert E. Gladden, John Hancock, Jackson, Mich.

Principal speaker at the fellowship luncheon will be John W. Yates, general agent of Massachusetts Mutual Life in Los Angeles. His topic will be "The Priceless Ingredient." Mr. Yates is a member of the founding committee of the California association, former NALU secretary and trustee.

NALU Trustee Harry N. Phillips, Sun Life of Canada, Detroit, is program chairman for the convention, which will be held at the Hotel Jefferson.

House Approves Bill to Extend Group Life

WASHINGTON—The House passed with an amendment a Senate bill providing for coverage of members of federal employees' beneficial associations under the federal group life program and sent the bill back to the Senate.

The House amendment provided for changing government worker's right to free insurance after retirement from the basic requirement of 15 years' civilian service to a total of 15 years' government service, including five years' civilian service.

Nashville General Agents Elect Broome President

Nashville General Agents & Managers Assn. has elected Charles M. Broome III, Occidental Life of California, president to succeed J. B. Adkisson, Pilot Life.

Also elected were Paul Simpson, Metropolitan Life, vice-president; H. Martin Nunnelle, Massachusetts Mutual Life, secretary; W. W. Billips, State Farm, Albert J. Cavert, American United Life and Louis Edge, Prudential, directors.

D. C. Department Licenses Variable Annuity Insurer

Johnson of Teachers I & A Is President; James M. Earnest Is Secretary of Corporation

WASHINGTON—The first life company making variable annuities available to the general public has been organized under the statutes of the District of Columbia as the Variable Annuity Life Insurance Co. of America. It has been licensed by D. C. Insurance Superintendent Jordan.

The new company has \$1 million in capital and surplus. Its variable annuity contracts include life insurance coverage during the initial five-year period and an optional waiver of premium benefit for disability. It will place its individual and group annuity contracts through life insurance agencies. The home office is at 1832 M Street, Washington.

George E. Johnson is president. To accept this position he has resigned from Teachers Insurance & Annuity Assn. of which he has been an officer for the past 20 years and vice-president and general counsel since 1952. He was active in the establishment three years ago of College Retirement Equities Fund which, in cooperation with TIAA, pioneered variable annuity contracts, offering them as an additional feature of retirement programs for educators in the U. S. and Canada. He is a CLU and was first president of Life Office Management Assn. graduates.

Secretary of the new company is James M. Earnest, former secretary and general counsel, Provident Life. Mr. Johnson said the company "will undertake to be admitted to do business in states where there is a demand for our services." The company will offer four general types of policies: annual premium deferred annuities, single premium deferred annuities, immediate annuities and group annuities.

Mr. Johnson will reveal further company plans in the near future.

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Pacific Mutual Stockholders Appeal Denied by Court

LOS ANGELES—California supreme court has denied the petition of a group of shareholders of Pacific Mutual Life for a rehearing of the court's decision of June 27 upholding the reinsurance and rehabilitation of the company.

The case already has been before all the California courts several times, and before the U.S. Supreme Court twice. In all these hearings, the courts have sustained the agreement.



George E. Johnson

Trouble Spots in Texas that Scourged Insurers Cleared Up by 1955 Legislation

By CHARLES C. CLARKE

The insurance law revision in Texas, to be operative completely by Sept. 6, 90 days after the close of the legislature, has been hailed in substantial quarters as laying the groundwork for clearing up what got to be known nationally as "the Texas situation." It was somewhat more than a year ago that the insurance industry in Texas came under a severe attack from newspapers and other quarters, and certainly not without reason.

It was about that time there was a rash of company failures in the state, due principally to an insurance code that did not specify regulations of sufficient adequacy to insure that best interests of the public would be served.

While the simple fact of company failure alone was enough to blacken the industry's eye, the situation was compounded because a large number of them occurred shortly before the

primary election and the entire matter became tinged with politics. Probably the result was publicity out of all proportion to the news value of failure of a few small companies when not far from 100% of the business was operating in a conscionable manner. It even was pointed out at the time that no policyholder ever had lost a dime in claims with an old line, legal reserve life company, that only one such insurer had been put into receivership and that was done before it had written any life insurance.

That nearly all of the Texas insurers were sound, solvent and manned by executives of proved business judgment and unquestioned integrity in no way lessened in the eyes of the public the fact that several insurers were failing, that policyholders were left with unpaid claims.

There was general realization last July that concerted effort was necessary if the business were to put

through a remedial legislative program. Strong vocal support from all quarters led to the decision to form an association representing every type of insurer, as well as the producers, which would formulate a program to put before the legislature. This program was to embody what the insurance business itself felt was necessary to close the many loopholes in the law.

It wasn't until December, only a few weeks before the opening of the legislature, the association was organized. Unfortunately, its representation of the industry was anything but embracing. This was viewed as an ominous sign by many, as an indication the insurance business itself could not agree upon a course of action. It was feared the consequence would be that again many opposing bills would go before the lawmakers, with little chance the various ills would be remedied.

Nevertheless, the organizations which were comprised of reputable elements of insurance in Texas got together, drawing up a program truly of a reform nature.

Described by many as the rallying point, Lt. Gov. Ben Ramsey can be credited with an unswerving dedication to seeing that the laws were improved. However, dedication is not enough and credit for the monotonous and detailed job of adjusting, compromising and following step by step the various measures can be given to the legislative committees of organizations such as Texas Insurance Advisory Assn., Assn. of Texas Fire & Casualty Companies, Texas Life Convention and the associations representing the producers—Texas Assn. of Insurance Agents and Texas Assn. of Life Underwriters.

There were two salient points in the basic program put through, one setting up realistic capital and surplus requirements for insurers and another regulating the sale of insurance securities.

While the capital and surplus amounts originally suggested—both for property and life insurers—were reduced by the legislature, those incorporated in the law represent substantial increases over previous requirements. Previously, fire insurers were required to have \$100,000 capital, a casualty company an equal amount, while an insurer with \$200,000 of capital could write all lines. No surplus was required, and it was possible to impair capital as much as 20%.

Under the new law, the fire insurer must have \$100,000 of capital and \$50,000 of surplus, the casualty writer must have \$150,000 capital and \$75,000 surplus, the multiple line company \$100,000 capital and \$100,000 surplus.

Of even greater significance, previously it was possible for non-stock insurers—mutuals, reciprocals and Lloyds—to operate with amazingly small surplus.

Except for farm mutuals, county mutuals and live stock mutuals, the new law applies the stock company requirements to all insurers, giving the public a far greater degree of protection than formerly. In addition, the law authorizing organization of county mutuals was repealed. Many of the insurers that failed were of this classification.

Life companies now are required to have capital of \$100,000 and a like amount of surplus. The original goal was for a capital of \$250,000 and sur-

This resume of the changes in the insurance laws of Texas should establish clearly in the minds of everyone the fact that there are no longer any weaknesses or loopholes in Texas insurance statutes. The unfavorable and regrettable publicity that has been given to Texas insurance company failures is something that will not recur once the full effect of the new and stronger laws is felt. A full reading of this description of the changes in Texas insurance statutes is recommended.

plus of \$125,000, though the bill as passed is a tremendous improvement from the old law of \$25,000 capital and \$12,500 surplus.

The manner in which the new and higher capital and surplus amounts may be put up is limited under the new law. Of capital, 50% may be put up in first lien Texas real estate mortgages, with the remainder of the capital and the surplus being either cash, U.S. government bonds or first lien federally insured mortgages. There also is a 33 1/3% limit on total admitted assets which may be carried in a home office building. This is increaseable to 50% by advance permission of the life commissioner. Besides raising capital requirements, the bill thus controls the use of inflated real estate in capital structure.

The new laws establish certain underwriting limitations, such as a maximum policy face value, for existing stock life companies until such time as their capital and surplus are increased to meet the new requirements.

From the standpoint of the public, perhaps removal of the exemption of insurance securities from the security act is one of the most important parts of the reform legislation.

The previous exemption made possible some of the most vicious security sales frauds known. An example of the frauds carried out was a scheme one promoter used on its own employees. Underwriters certificates with a face value of \$500 were sold to employees, the charge being \$1,000. Payments of \$18.90 were deducted from pay checks monthly. The employees were told the certificates actually were worth \$1,000 since the company was making such huge profits and paid high dividends. The company became insolvent and was put into receivership, with no return to the employees.

Another method frequently used to gather capital was that of "kiting" checks. In order to obtain \$150,000, a company would borrow \$50,000, put it into a bank account and get a statement saying that it had \$50,000 on deposit. It then would write a draft transferring it to another bank and get a similar statement from that bank. After transferring the money to a third bank, the company had three statements dated the same day, indicating there was \$50,000 in each bank. Actually, there would be no company assets because the original \$50,000 was borrowed money to begin with.

In the months prior to the enactment of the new legislation, there was a wild scramble on the part of those organizing new life companies on the basis of \$25,000 capital and \$12,500 surplus. New companies were springing up in all parts of Texas every week and sometimes every day. One man is the principal stockholder in six such companies. The newspapers in Houston and Dallas carried advertisements of

(CONTINUED ON PAGE 13)

The Men With The Guarantee have . . .



for rewarding futures

The Guarantee's intensive expansion program in the Pacific Northwest and Middle West offers unexcelled opportunities for career-minded general agents. New fields of growth are also available in many other areas for high-caliber aggressive men.

As a General Agent with The Guarantee, you will benefit from these agency-building tools: • A complete line of insurance to sell • Two new financing programs • The Guarantee's liberal 5 Star Contract • A new pension plan • An agency-minded company.

FOR MORE INFORMATION on the areas available and advantages offered by The Guarantee, write or phone today in confidence — to J. D. Anderson, Agency Vice President, 1805 Douglas St., Omaha, Nebr., At. 7100.

Ralph E. Kiplinger, President



Terminal Dividends Not Affected by Ga. Anti-Tontine Ruling

NALU Assured That Cravey Ban Will Bar Only 'Jack Pot' Type of Contracts

Commissioner Cravey of Georgia has drawn his prohibition against tontine-type policies in such a way that terminal dividends are not affected and has assured National Assn. of Life Underwriters that Georgia is not seeking to move against terminal dividends.

Issuers of policies which NALU contends are in the tontine category have made the standard defense that what they are doing is no different from what companies paying terminal dividends are doing.

It is NALU's position, however, that there is a fundamental difference in theory and philosophy—that the terminal dividend is merely part of a reserve which has been set aside for the company's protection and would have been set aside even though no terminal dividend has been contemplated. Such dividends recognize the fact that a company's surplus arises out of contributions by its policyholders and that the terminating policyholders may properly share in this surplus just as the persisting policyholders do.

Tontine or deferred dividends, on the other hand, imply the accumulation of additional funds, in excess of the company's normal surplus requirements, solely to pay such dividends. Moreover, a tontine or deferred dividend system allocates to persisting policyholders part or all of these special dividend funds which are being withheld from terminating policyholders.

After calling in representatives of companies licensed in Georgia, Commissioner Cravey said he could not see how these deferred dividend policies could be reconciled with the Georgia law. Hence, he outlawed not only tontine-type plans but also stock-with-policy plans and plans calling for special investments in equities.

Mr. Cravey cited the section 56-404a (6) of the Georgia code defining unfair competition and unfair and deceptive acts or practices in the business of insurance. This specifically prohibits issuing or delivering or permitting agents, officers, or employees to issue or deliver company stock or benefit certificates or shares in any common-law corporation or securities or any special or "advisory board" contract or other contracts of any kind as an inducement to insure. The reference to advisory board is an allusion to the practice of telling the buyer he would be a member of such a board in return for being one of the first to buy one of the new contracts.

Mr. Cravey also cited section 56-404a (7), which makes it illegal to make or permit any unfair discrimination between individuals of the same class and equal expectation of life in the rates charged for any life insurance or annuity contract or in the dividends or other benefits payable thereon, or in any of the terms and conditions of such contracts.

Commissioner Cravey's action has given NALU considerable encouragement, for the Georgia law is like that of many other states in the south and southwest. That is, the laws appear to outlaw the tontine type of contract—by

whatever name it is called—but it has not been generally realized that they prohibit these contracts prior to the recent actions of Commissioner Kelly in South Carolina and Commissioner Cravey in Georgia.

NALU is pushing its model anti-tontine bill not merely on the ground that existing laws are inadequate but to eliminate any possible misunderstanding about the intent of present laws.

Connecticut General Life has moved its Richmond office from 900 East Main street to larger quarters at 406 East Main street.

Arkansas Publisher to Address Luncheon at NALU Convention

Hugh B. Patterson Jr., publisher of the Arkansas Gazette at Little Rock, will be the featured speaker at the NALUTC luncheon Aug. 25 in St. Louis.

The luncheon, jointly sponsored by Life Underwriter Training Council and National Assn. of Life Underwriters, will highlight the Thursday session of NALU's five-day annual convention. In addition to Mr. Patterson's address, NALU President Robert L. Walker will extend greetings and LUTC President Herbert R. Hill will present the senior instructor awards to 15 qualifiers from the council's 1954-55 faculty.

Mr. Patterson, 40, joined the Arkansas Gazette in 1946 as national advertising manager and was named publisher in 1948. His newspaper is 137 years old, the oldest west of the Mississippi River. His talk will stress the vital nature of a well informed and responsible electorate in the affairs of state.

son's address, NALU President Robert L. Walker will extend greetings and LUTC President Herbert R. Hill will present the senior instructor awards to 15 qualifiers from the council's 1954-55 faculty.

4 reasons why you should become a C.L.U.

- 1 The C.L.U.'s income actually *increases* while he is preparing for exams!
- 2 The typical C.L.U. earns a higher income after attaining his designation!
- 3 He enjoys higher prestige among his associates and clients!
- 4 He benefits from valuable associations with other successful life insurance people at the local C.L.U. chapter meetings . . . and from the informative material he regularly receives from the American College of Life Underwriters.



MUTUAL OF NEW YORK

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK
BROADWAY AT 55TH STREET • NEW YORK 19, N.Y.

Life Insurance—Accident and Sickness—Hospitalization—
Retirement Plans . . . FOR INDIVIDUALS AND EMPLOYEE GROUPS

MONEY TODAY MEANS MONEY TOMORROW!

Mutual Benefit H&A, Commercial Travelers Are Sharply Critical of FTC Complaints

WASHINGTON—Replies of Mutual Benefit H&A, and Commercial Travelers of Utica to federal trade commission complaints charging them with false and misleading advertising of A&H policies have been released by FTC.

Mutual Benefit H&A declared that "every fair rule of equity, ethics, and justice" prevents FTC from prosecuting its complaint against the company.

The company said that since 1949 it has sought the advice of the commission regarding its advertising and has promptly made any suggested changes. During this period, FTC representatives made "expressions of satisfaction and appreciation regarding its advertising procedures." In addition, at least 30 days before Oct. 14, 1954, the date the complaint was issued, advertising material was submitted to a commission representative who advised the company it was doing "a good job" in its advertising procedures.

The company's answer further declares that FTC does not have juris-

diction over its advertising since this phase of its business is regulated by Nebraska, its domiciliary state, and all the other states and jurisdictions in which it does business.

Denying that any of its advertising is false and misleading, the company said that after the complaint was filed it conducted "a complete survey of its policy owners and has verified the fact that they have not been misled or deceived."

The company declares it "has brought the American people a choice of coverages varying in accordance with the need of the public and their ability to qualify and has made the most outstanding record of service for the American public in this field of any insurance institution in history." Also, authoritative insurance statistical publications show that during 1949-1953, Mutual Benefit H&A has provided "over 15% more in benefits paid, claim service and claim reserves than the combined composite average of all insurance companies writing a substantial volume of A&H

insurance in the U.S. (all companies writing individual business of \$5 million or more in earned annual individual premiums)."

The complaint, issued in October along with 16 similar complaints, charges the company with misrepresenting, among other things, the termination provisions of its policies, the extent of their coverage and the maximum dollar limits.

The company maintains that it has exercised "extraordinary diligence" to comply with the FTC act, and to its best knowledge and belief it was the only company proceeded against by the commission with accompanying press release and radio and TV interviews which had complied with all the requirements of FTC and with the regulations and requirements of each of the 48 states.

The company states that advertising cited in the complaint was related to the wrong policies and it orally advised representatives of FTC of this error and thereafter called attention to this mistake of fact in writing.

The company also charges the advertising statements quoted were taken out of context and "create an entirely different meaning and impression than when read in conjunction with the entire statements." When read in context they were "entirely proper, correct, accurate and justified."

The company denies it advertises to sell insurance policies. Actually, its purpose is "to elicit inquiries from the public. No sale of insurance is made unless and until licensed agents contact those who may be interested in some form of policy."

Commercial Traveler's reply declares its recently revised advertising eliminates the causes of criticism which prompted the FTC complaint against it.

However, the company states it heartily disagrees with the viewpoint of FTC and resents the manner in which the criticism was made and published.

The company adds that its revised advertising results not only from its rule to modify voluntarily advertising criticized by the commission but also from a recent New York law requiring a complete new set of policy forms, which are now in use.

For this reason the question of false advertising of former policies "is entirely moot and academic." The reply also said every fair rule of equity, ethics and propriety precludes FTC from prosecuting the complaint. For example, in 1950 the insurer adopted changes in its advertising recommended by the commission under trade practice procedures for the mail-order insurance industry.

Then, the company declared, with no advance warning FTC issued its complaint on Oct. 14 of last year "sharply criticizing the very statements recommended by its own representatives."

From 1950 through 1954, the company reported, it never received "a word of criticism" from FTC.

The company also maintains that FTC does not have jurisdiction over it inasmuch as (1) it is adequately regulated by state authorities and (2) it is not a corporation under the FTC act ("organized to carry on business for its own profit or that of its members") but a non-profit association operating on a cost basis.

The company further denies that the advertising cited in the complaint is misleading and charges that these statements have been taken out of context.

Moves to Restrict Too Free Formation of Insurers in Ga.

Commissioner Cravey of Georgia has promulgated a new set of regulations designed to restrict the number of insurers organizing in Georgia.

The new rules will require, among other things, that all checks dispersed during the organization period be countersigned by persons approved by the insurance commissioner; written minutes must be kept on all meetings during the organization period and must be available for inspection by the insurance department at all times; a treasurer must be elected to handle all funds realized from the sale of stock, and funds must be deposited at least once a week in a bank insured by the Federal Deposit Insurance Corp.

His investigation of officials of proposed companies, Cravey said, would include a close look at "their experience in the field of insurance as well as their character."

Pointing out that no Georgia insurance company had gone bankrupt in the past 10 years, he said that "if we get too many companies here, that record may be broken."

The commissioner reported that the state had 26 domestic life insurers and 12 others were being organized. The average of other states, he said, was 18.

Job of Codifying Okla. Insurance Laws Underway

The job of revising and codifying Oklahoma's insurance laws will be undertaken by the insurance committee of the state legislative council, headed by Rep. G. A. Sampsel of Pryor.

The proposed codification has been approved by the council's executive committee and turned over to the Sampsel group, which will report its progress every three months. A bill containing the insurance code will be presented before the next legislature in 1957. All types of coverage except workmen's compensation will be included.

Various industry groups will work with the committee in its study and compilation of laws.

The executive committee also approved a study to determine whether a "substantial increase" in the appropriation to the insurance department is justified. This proposal, made by Oklahoma Assn. of Insurance Agents, was turned over to committees on insurance and appropriations.

Bowles Deplores Acts of Agents Toward GIs

WASHINGTON—Commissioner Bowles of Virginia, speaking before a House armed services subcommittee, said that American servicemen are virtually without reasonable protection against unscrupulous life insurance agents doing business on military bases. He urged the subcommittee to remedy the situation by requiring agents selling policies on military posts to be licensed by the state in which they are operating.

"Any irresponsible agent who happens to hold a license issued by some distant state can enter a federal installation and sell insurance issued by a company with utterly inadequate assets, can make as many fraudulent misrepresentations as he desires, can take the soldier's money or allotment for insurance that is practically worthless, and no one can do anything about it," he said.

FIRST IS STILL BEST!

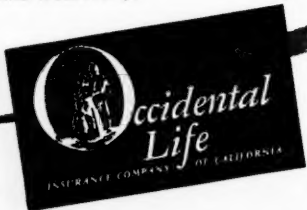
First major company to issue a straight reducing Term policy without requiring its attachment to a chassis policy was Occidental with its Income Protection plan. That was in 1948.

When a buyer needs decreasing Term, our Income Protection plan is *still* first because it gives not just one, but *all* of these features:

Written for *any* income period of 10 up to 50 years—as an independent policy or a rider on 'most any other plan—payable as income, as a lump sum, or under standard settlement options—convertible to insurance age 65—issued substandard to Table F—available with Double Indemnity and Income Disability.

This spells "best" in any language.

"A Star in the West..."



HOME OFFICE: Los Angeles
W. B. STANNARD, Vice President

"WE PAY AGENTS LIFETIME RENEWALS... THEY LAST AS LONG AS YOU DO!"

Senate Group Finds Collusion in Union Welfare Fund Theft

WASHINGTON—A Senate subcommittee headed by Sen. Douglas (D-Ill.) has charged collusion and complicity among insurance, union and employer representatives in the million dollar looting of the welfare fund of Laundry Workers International Union, AFL.

The subcommittee said it would make recommendations for legislation to curb such practices and recommended consideration of the looting of the laundry workers' welfare fund case by the U. S. Attorney General, internal revenue service, attorneys general of four states and insurance commissioners of five states for possible prosecution or other appropriate action. Management of the funds was in the hands of three employer and three union trustees.

Louis B. Saperstein, Newark insurance broker, was found by the subcommittee to have dominated the placing of group policies by the laundry workers and to have embezzled \$900,000 by retaining part of the premiums forwarded through him. Originally, the insurance was placed with Security Mutual Life of Binghamton but later was transferred to California Life.

The subcommittee has traced more than \$573,000 of the funds to a bank account that was opened in September of 1951 by Eugene C. James, secretary-treasurer of the union, in Chicago. He has been cited by the Senate for contempt for his conduct during the subcommittee hearings.

Meanwhile, in Detroit, a federal grand jury charged six men with fraud in connection with transactions of the Ford Rouge Employees Credit Union, a \$4 million institution. The defendants influenced credit union transactions, including loans, to their personal benefit, the government charges.

Complete FTC Hearing on Educators Mutual

WASHINGTON—After two days of hearing here before Examiner Frank Hier on federal trade commission's complaint against Educators Mutual of Lancaster, Pa., charging false and misleading advertising of A&H policies, Commission Counsel F. C. Mayer and P. R. Melanton were granted five days after receipt of transcript of hearing in which to decide whether FTC is closing its case. It is believed ready to do so.

Counsel for Educators Mutual then will have until Aug. 25 to file notice of motion to dismiss complaint, and until Sept. 25 to file brief in support. After that FTC will have until Oct. 15 to reply to that motion.

At the hearing the commission presented evidence in the form of contracts, policies, advertising, claims figures, etc., particularly with respect to sale of individual policies and policies for groups of less than 25 persons during the years 1953 and '54.

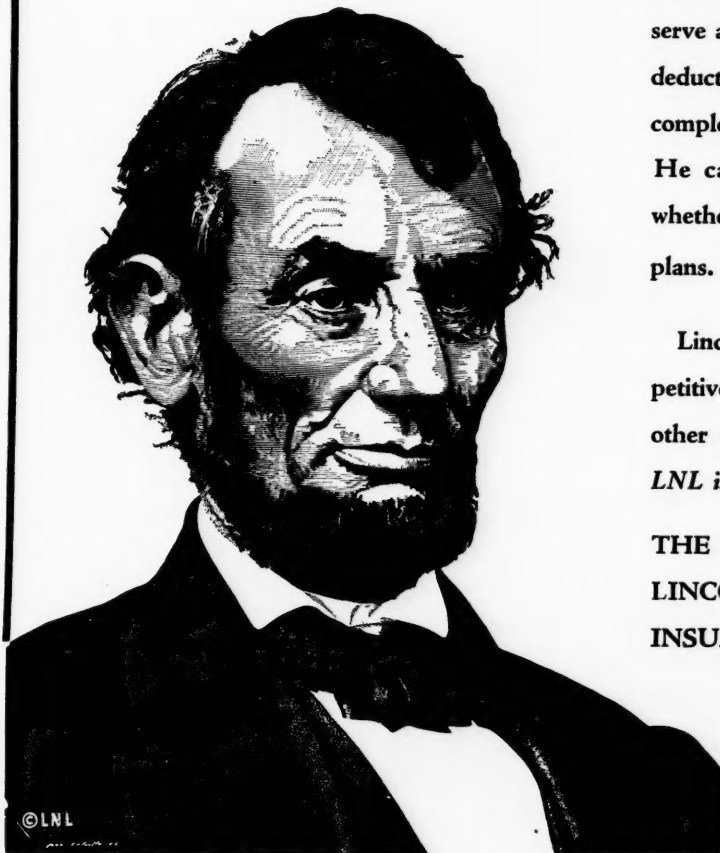
Witnesses testifying were J. Laurence Strickler, company president; Albert W. Adey, vice-president, and Harold W. Diffendorfer, claims department supervisor.

Life of Va. Opens Aiken Office

Life of Virginia has opened a new district office in Aiken, S. C., and appointed George T. Dunn manager and Frank L. Wright and William J. Carter associate managers.

Mr. Dunn, who has been associate manager at Augusta, Ga., joined the company at Augusta in 1948. Mr. Wright and Mr. Carter, both with the company five years, have been at Chester, S. C., and Greenville, S. C., respectively.

GROUP LIFE RATES REDUCED



Reduced rates for Group life recently announced help the LNL representative serve and sell his Group prospects. New deductible coverages added to his already complete Group insurance line also help. He can meet his prospects needs—whether for life, disability, or retirement plans.

Lincoln National's complete and competitive Group insurance service is another reason for our proud claim that LNL is geared to help its field men.

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THE OHIO NATIONAL LIFE INSURANCE COMPANY
CINCINNATI

W. HAROLD BROKAW, GENERAL AGENT
1220 S. MICHIGAN STREET
SOUTH BEND, INDIANA

Dear Al:

What I like particularly about The Ohio National is that the lines of communication between the man in the field and the Company executives are always open. Ideas and suggestions affecting agency operations are warmly received, carefully considered, and frequently field tested before judgment is passed.

This open-minded attitude and willingness to make an honest attempt to understand the field man's viewpoint radiates goodwill and promotes sound public relations. During my twelve years with The Ohio National, nothing has brought me greater personal satisfaction than the knowledge that I have the fullest cooperation and enjoy the complete confidence of everyone at the home office.

Sincerely,
Harold

New Argus Chart Gives Comprehensive Data on All Types of A&H Business and Insurers

The completely new Argus Chart of accident, sickness & hospitalization insurance, showing in a modern manner the operating reports, underwriting results, latest annual statements, and other useful information concerning some 728 insurers including Blue Cross and Blue Shield plans, has just been published by the National Underwriter Co.

With redesigned, expanded and entirely recast content matter from cover to cover, the brand new Argus Chart succeeds the formerly published special section of the Argus Casualty Chart. It has been prepared in the light of many recommendations from prominent A&H executives, and in response to many repeated requests for an inexpensive reference that would provide all the useful facts and figures concerning A&H insurers in convenient, easy-to-read form.

In response to this widespread demand, the new Argus Chart has been designed so that practically all information about each of the companies is presented on facing pages. In the upper left quarter of each double page are shown the assets, liabilities, special surplus reserves, surplus including capital and special reserves, dividends to policyholders, net gain from operations and dividends to stockholders, thus giving a broad picture of each insurer. Opposite this is shown an analysis of each company's record as far as individual and total A&H business is concerned. Here are presented separately the net premiums written, premiums earned, losses incurred, and expenses incurred including claim expenses for both individual and total A&H business. Also shown in this section are the unearned premiums for A&H, the reserve for policyholder's benefits, and the ratios to total A&H premiums of claims incurred to premiums earned, expenses incurred to premiums written, and the combined ratio.

On the lower left-hand section of the double page there is a detailed analysis of individual business showing premiums earned, claims incurred and the ratios for accident only, A&H business, non-can, and for hospital and medical. The lower right-hand half of each spread presents an analysis of the A&H premiums and underwriting results of group business. Group figures are shown for premiums earned, dividends to policyholders, premiums less dividends, claims incurred, expenses incurred including claim expenses, with the ratios to premiums, and the gain from underwriting after policyholder's dividends. Also in this section the A&H contracts written by each company are listed by code number, and in addition there is a statement of each company's practice regarding brokerage business.

Numerous additional brief facts concerning each insurer are also provided, including the list of the states and countries in which a company is licensed to operate, the date of organization of the company, the date it began writing A&H business, and a key letter to indicate the kind of company—whether it is an A&H specialty company, a life and A&H company, a casualty company, or a multiple line company. All companies are shown in a single alphabetical order, making it easy for the user to find the company desired, irrespective of what

kind it is. Company membership in the H&A Underwriters Conference and in Bureau of A&H Underwriters is also shown by a key symbol, and for a large number of companies further information giving the numbers of branch offices, general agents and agents is also provided.

Blue Cross hospital service plans, blue shield medical care plans, and other hospital and medical-surgical insurers are also shown in improved form in a special section, thus providing a complete picture of this important phase of the business.

Another especially useful feature is explanation of every item shown throughout the Chart. Each item is defined and each carries a specific reference to the page and line number of the official annual statement form.

Like its companion publications in the fire and casualty-surety fields, the A&H Argus Chart for 1955 has been designed to give concise answers to all sorts of questions, including the unusual which are frequently the most important. Providing a comprehensive coverage of interesting and useful facts and figures, in convenient form, it shows what many leaders in the A&H business have asked for.

Advance orders for the new A&H Argus Chart are now being delivered. Copies may be obtained from the National Underwriter Co., statistical division, 420 East Fourth Street, Cincinnati, or from any National Underwriter branch office. It sells singly at \$2.25 a copy, with substantial reductions for quantity orders.

Name Associate G.A.'s

Leon Jonas and James P. Carr have been named associate general agents of the Edward L. Rosenbaum agency of Mutual Benefit Life in New York City.

Mr. Jonas, who joined the agency in 1949, has served as agency supervisor and assistant to the general agent. Mr. Carr joined in 1952 after three years as company brokerage manager.

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Complete information about THE ACTUARY'S PENSION HANDBOOK will be sent to you on request. The two hundred dollar pre-publication offer will expire September 1st, so please write now. PENSION PUBLICATIONS, Box 2172, Los Angeles 54, Calif.



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THE BOURSE

PHILADELPHIA

Directs 25% Rate Cut in N. C. Credit A&H

Commissioner Gold of North Carolina, acting under a 1955 statute giving him authority to regulate credit A&H rates, has directed a 25% reduction by Aug. 29.

He took the action at a public hearing called to give credit A&H companies an opportunity to support their rates and forms. Evidence indicated that last year the companies had earned premiums of \$3,486,173 and paid losses of \$1,057,698, a loss ratio of 30.34%. The companies argued that the ratio was not too low.

President S. E. Wilson of Coastal Plains Life said, "This is going to make it tough for everyone, couldn't we cut that a little?"

Kirk Landon, vice-president of American Bankers Life of Florida, said he didn't think his company could operate on that basis. Waldo C. Cheek, former commissioner, now president of Independence Life of Charlotte, suggested that an appeal might be taken to the courts. Arch T. Allen of Raleigh, counsel State Capital Life, argued that the current loss ratio "more than justifies a continuance of the present rates and it probably justifies a return to the higher rates which prevailed in 1951."

Mr. Gold said he thinks he is correct in what he has done but it will take time to tell who is right.

Form New Life Company

Carolina Home Life, a wholly-owned subsidiary of Carolina Casualty, has received a charter in North Carolina and will begin issuing policies in September. The new company, which will have its home office with Carolina Casualty at Burlington, has authorized capital stock of \$1 million and \$400,000

paid in capital and surplus.

Carolina Home Life will write life policies from \$100 to \$1,000. The company was started to provide Carolina Casualty's A&H agents with a life policy that would enable them to take full advantage of the insurance sales open to them, according to Shepherd Broad, president of both companies. Other officers are Walter B. Clark, 1st vice-president and manager; Andrea Schwitter Jr., secretary and treasurer; Mabel Vanderford, E. M. Cheek Jr. and George R. Cornto, vice-presidents; J. R. Rogers, assistant vice-president; and C. P. Smith Jr., assistant secretary.

National of Vt. Sales Set First Half Record

National Life of Vermont's sales for the first six months totaled \$102,184,962, increase of 20%, a record for any comparable period in company history.

Annual premiums on first half sales amounted to \$3,808,508, up 10%. Insurance in force rose to \$1,603,365,140. Net ledger assets on June 30 were \$585,532,460, a 6% gain. The company has paid \$769,970,133 to beneficiaries and policyholders since its organization.

The board has elected as officers Ward Phelps, superintendent of agencies, and Elmer C. Bergmann, midwest director of agencies. They joined the company Aug. 1.

Robinson Resigns from Columbian National

Charles C. Robinson, vice-president and manager of agencies and a board member of Columbian National Life, has resigned, effective Oct. 1. He has been with the company since 1948.

No announcement has been made about Mr. Robinson's future plans or about a successor to him in the company. Editor of *Insurance Salesman* from 1929 to 1942, Mr. Robinson also has been with Aetna Life and Guardian Life.



Bill Nalac's CORNER

"I like a new merchandising slogan our Company has come up with: 'You work hard for your dollars—make your dollars work hard for you.'"

"Prospects read a lot of sense into that admonishment. And it is a pleasure to show them how a North American program of PLANNED INCOME enables them to carry through."

NORTH AMERICAN

Life and Casualty Company

HOME OFFICE: MINNEAPOLIS, MINNESOTA

H. P. SKOGLUND, President



J. E. SCHOLEFIELD, Vice President—Director of Agencies



LIFE • ACCIDENT • SICKNESS • HOSPITAL • GROUP

INTER-OCEAN LOOKS WITH PRIDE

Inter-Ocean is extremely proud of more than half a century of unparalleled service to its policy owners and their beneficiaries. The Company is also quite proud of its service to the insurance profession as a whole. This service, however, is entirely attributed to the efforts of Inter-Ocean's men, who have distinguished themselves in key positions with city, state, national, and international Life and A & H Associations. It is upon these men that Inter-Ocean looks with pride.

Agents who write Inter-Ocean's modern and complete line of Life, Hospital, Medical and Surgical Expense, and Income Protection are assured that they represent a sound and respected organization.

COMMERCIAL • WEEKLY PREMIUM
ORDINARY • GROUP



PERSONAL PROTECTION SINCE 1903

INTER-OCEAN

INSURANCE COMPANY
CINCINNATI 2, OHIO



PARKER B. ARNETT—An Inter-Ocean representative for 14 years, Mr. Arnett served as president of the Youngstown, Ohio, A & H Underwriters Association. Last year he was president of the state organization of A & H Underwriters, and he is now Chairman of the Executive Board for this organization.



*the plan to
fit the man—
with a
family*

THE ECONOMIZER

Bankers Life of Nebraska offers the "Economizer," a plan which is designed to give a man maximum protection during the years of maximum family responsibility.

PLUS a guaranteed monthly income to his family until twenty years from the date of policy issue in event of his death—

PLUS a cash payment after the expiration of the guaranteed monthly income—

PLUS a cash payment in event of his death after twenty years—

PLUS high cash values at retirement age, with a choice of options for payment—

This excellent policy, another of Bankers Life of Nebraska's leading policy plans, is a complete program in itself, designed to fit the man—with a family.

SINCE 1887 **Bankers Life**
INSURANCE COMPANY of Nebraska
HOME OFFICE LINCOLN

Would Give Duties of Okla. Board to Commissioner

OKLAHOMA CITY—Commissioner Hunt of Oklahoma has suggested to Governor Gary that confusion and duplication could be avoided by shifting duties of the state insurance board to the commissioner's office.

In the letter to the governor, Mr. Hunt stated he is the only elected commissioner in the country sharing responsibility with an appointed board. The Oklahoma board was created in 1915 to "spite" the then insurance commissioner, Mr. Hunt stated, with divided authority resulting.

The commissioner also cited the big turnover on the board, pointing out that in 13 years with the insurance department he has served with 13 new board members.

Mr. Hunt is chairman of the board, serving with the state fire marshal and board secretary, both appointed by the governor. The board licenses mutual fire and casualty companies and reciprocal exchanges while the commissioner licenses all other insurers. The board licenses all agents and has authority over fire and casualty policy forms and rates. A&H and life forms and rates are submitted to the commissioner.

Governor Gary said he will study Mr. Hunt's suggestion. Fire Marshal Ralph Duroy said he believes that people might have more confidence in a three-member board than in an individual. Secretary Louis Woodruff declined to comment on the proposal, which will be studied by a committee of legislators.

Texas Department Shifts Moore and Schumacher

Joe B. Moore, director of licensing of the life division of the Texas department, has been appointed director of the securities section, created by an act of the 1955 legislature. Mr. Moore was an assistant attorney general before joining the department.

Woodrow Schumacher has been named life division licensing director. He has been director of fire and casualty licensing.

House Probers May Ask Legislation on Life Sales to GIs

WASHINGTON—The House armed services subcommittee for special investigations, which held two days of hearings on alleged abuses in the sale of commercial life insurance to servicemen in the U. S. and abroad, is expected to submit a report in two or three weeks.

Rep. Hebert of Louisiana, the chairman, warned the defense department several times during the hearings that if the committee's recommendations regarding regulation of insurance sales on military reservations are not followed, steps will be taken to enact appropriate legislation.

Witnesses included: Henry Glenn, associate general counsel of Life Insurance Assn. of America, and Dudley Dowell, executive vice-president of New York Life, appearing for LIA and American Life Convention; Louis J. Grayson, Travelers, Washington, D. C., chairman of the committee on affairs of veterans and servicemen of National Assn. of Life Underwriters; Superintendent Leggett of Missouri, president of National Assn. of Insurance Commissioners; Rep. Teague of California; Henry A. DuFlom, deputy assistant secretary of defense for manpower and personnel in Department of Defense, and Rudolph Walter, chairman of a Pentagon committee considering tighter insurance regulations; Peyton Ford, Washington attorney representing 14 Texas life companies, and Ralph D. Pittman, Washington lawyer also representing Texas companies.

Mr. Glenn said sound licensing and policing procedures under state insurance departments and military commanders in the U. S. and overseas provide the key to correcting abuses in the sale of insurance to members of the armed forces.

Mr. Dowell said the present allotment system under which servicemen can buy and pay for life insurance has great merit because it enables them to create personal financial security. He noted its similarity to the payroll deduction system for buying insurance now made widely available by business and industry to their employees.

Mr. Dowell urged the subcommittee to go slowly in recommending any changes in the present allotment system which might deprive servicemen of the allotment privilege in an effort to correct any abuses in the sale of insurance. Mr. Glenn stated that the life insurance organizations are in agreement with the subcommittee's recommendation that companies and agents doing business on military installations in this country should be required to be licensed by and be under the supervision of the insurance department of the state in which the military posts are located.

The current inquiry does not involve Chanute Air Force Base, Ill., whose former commander, Maj. Gen. B. E. Gates, has been accused of favoring certain insurance companies. The hearings were based on an investigation conducted in the European army command last winter followed by hearings and a set of proposals designed to curb companies and agents comprising European Assn. of Life Underwriters, chiefly new Texas life companies

(CONTINUED ON PAGE 15)

A VERY PLEASANT TUNE

It doesn't take an ear for music to appreciate the tinkle of a cash register—especially your own. Do you like the tune it's playing for you?

Our men are better paid on the average than most in the insurance business. With better compensation, they invariably have more time to themselves and their families; they get true recognition for a job well done.

If your life is getting dull and unrewarding—you may be interested in learning how you can step up the tempo with Western Life. Our fieldmen agree it's a very pleasant tune.



R. B. RICHARDSON, Pres.
LEE CANNON, Agency V.P.

Assets over \$65,000,000 • Insurance in Force over \$274,000,000

Security-Conn. Life Is Launched

Organization of Security-Connecticut Life, subsidiary of Security of New Haven, fire and casualty insurer, has been completed. Peter J. Berry, president of Security, is president of the life company.

Other officers of the company, which starts with \$1 million capital and which is the first ordinary life insurer to be launched in the state in 65

years, are G. Albert Lawton, former agency director of Aetna Life, executive vice-president; C. N. Shepherd, vice-president, treasurer and secretary; G. R. Ladner, controller; L. A. Strong, secretary, and K. J. Rowley, assistant secretary-treasurer. All hold comparable posts with the fire-casualty company except Mr. Lawton who has been in life insurance 17 years.

The new life company will start in Connecticut and expand to other states. It will sell all types of non-par ordinary policies.

J. D. Frank Retires; Lincoln Natl. Advances 4 in Legal Department

Joseph D. Frank, vice-president and general counsel of Lincoln National Life, has retired and the company has made four promotions in its legal department.



Joseph D. Frank

Allen C. Steere has been advanced from associate general counsel to 2nd vice-president and general counsel and will be in charge of public relations and special problems of a

legal nature.

Gordon C. Reeves has been advanced from associate general counsel to general counsel and will be responsible for supervision and administration of the legal department, directing legal work rising routinely from investment and insurance operations.

Clyde J. Cover and Ray E. McCall, both formerly assistant general counsel, have been made associate general counsel.

Mr. Frank, who soon will move to Dallas where he will again enter the private practice of law, concentrating on insurance legal matters, joined Lincoln National in 1930.

Mr. Steere started with Lincoln National in 1934 after having practiced law in Fort Worth for several years. Mr. Reeves has been with the company since 1931. Mr. Cover started with Lincoln National in 1924 and Mr. McCall in 1933.

Ohio State Life Has 30% Sales Gain for First Half

Sales of Ohio State Life for the first six months of 1955 were up nearly 30% over those for the comparable period last year.

Paid business in June was more than 31% greater than the volume for the same month last year, and the increase in insurance in force was 60% greater. The second quarter of the year also showed a marked gain over the first quarter.

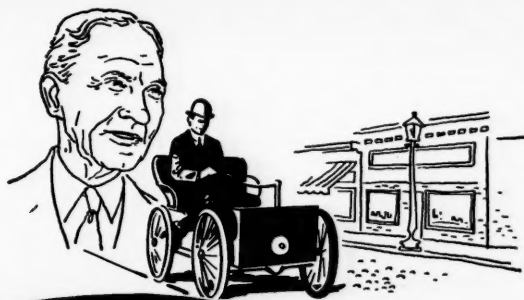
Insurance in force at June 30 was \$297 million, a gain of \$10,753,936. A&H sales also established a record in the second quarter.

The Columbus, O., agency, headed by Wayne L. Lewis, established a new agency record in paid for business in the first half.

Reinhardt to Guardian's New Office at Norfolk

Guardian Life has opened a new office in Norfolk under the management of Robert S. Reinhardt.

Mr. Reinhardt entered the business in Charlotte in 1946 and later was assistant manager of Mutual of New York in Atlanta and Columbia. He was discharged last month after recall service with the marine corps.



PACE SETTERS

in the American Pattern of **PLANNED ACTION***

***HENRY FORD** is often referred to as "the man who put America on wheels." One of the biggest factors in his success was that he determined a course of **PLANNED ACTION** and then followed it!

You can be a pace setter today—if you are a man ready and qualified for General Agent responsibility. National Reserve Life, operating from the Territory of Hawaii . . . from California to Florida—is setting new expansion goals this year. We offer you unlimited opportunity for a worthwhile and profitable career with our one hundred and seventy million dollar company. Contact us immediately for complete information without obligation. All exchanges of mutual information will be held confidential. Take "**PLANNED ACTION**" now and write us today . . . be a pace setter with National Reserve Life . . . Strong as the Strongest—Enduring as Rushmore!

H. O. CHAPMAN, Pres., S. H. WITMER, Chm. of the Board



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Strong as the Strongest - Enduring as Rushmore



Quality

in Pacific Mutual's CAREER BUILDING OPPORTUNITIES

inspired William Richard Balkin's long-range activity planning which has matured in his Million Dollar Round Table membership, his 12-year top rank standing in the Pacific Mutual Big Tree Leaders Club, and in the recognition he enjoys as one of Chicago's distinguished community service leaders.

Quality is the dominant objective in all Pacific Mutual field procedures.

Pacific Mutual

LIFE INSURANCE COMPANY

HOME OFFICE: LOS ANGELES, CALIF.



LIFE Since 1868 • ACCIDENT Since 1885

SICKNESS Since 1904 • RETIREMENT PLANS Since 1919

GROUP INSURANCE Since 1941

EDITORIAL COMMENT

Variable Annuity Log Jam Is Broken

The launching of Variable Annuity Life Insurance Co. in Washington, D.C., is a momentous occasion for the life insurance business and the insuring and investing public. It means that the log jam has been broken—that those who have argued that the variable annuity should not be offered to the general public have lost that campaign because here is a company that can sell the variable annuity to anyone who cares to buy. True, the purchaser may have to buy it via Washington for a while. But if he wants it badly enough he can get it.

The fact that a variable annuity can be purchased without the buyer's having to be a member of some special group, like college teachers, or an employee of one of a handful of corporations adds tremendously to the pressure for licensing the Washington company in other states and for legislation permitting life companies generally to write variable annuities.

George E. Johnson, president of the new company, was instrumental in organizing the first variable annuity insurer, College Retirement Equities Fund, as an affiliate of Teachers Insurance & Annuity, of which he has been vice-president and general counsel. No one has had more experience with the problems of the variable annuity. The fact that he is president of the new company is all the assurance anyone should need that its operating policy will be one of enlightened conservatism, far removed from the Mississippi River gambler atmosphere that foes of the variable annuity have conjured up as an inevitable concomitant of anything based on common stock investments.

We believe it is fortunate for the life insurance business and for the public that a life insurance company operated by life insurance men is the medium through which the public is being offered the variable annuity. With all the interest that has been stirred up, there might well have been efforts to write it through other types of financial institutions on the ground that the mortality element was subordinate to the investment feature, for that is the way some of the securities people have been talking. Even with only one life company issuing variable annuities, it should serve to preempt the field for life companies rather than leaving the question open and subject to pulling and hauling by various interests.

The interest in the variable annuity may, it is true, wane somewhat if there is a stock market slump of some length.

But if the American economy is to continue expanding a share in ownership in industry and commerce should be a better bet than a lien on their assets.

There is also the fact that as people earn more and save more there may be a serious shortage of debt investments like bonds and mortgages. There is much discussion of the fact that the public is far from being adequately insured. But if the public ever got itself really adequately protected by life insurance, where would the reserves be invested? To put them in debt securities would drive the interest rate down close to the vanishing point, whereas a reasonable balance between debt and equity investments, determined by economic factors rather than legal strait jackets, would keep business and industry expanding and profitable.

So the variable annuity may well be the means by which an expanding life insurance business will be kept from glutting the debt-securities market with dollars that must work too cheaply because there are too many of them for the use that can sensibly be made of them as loans.

PERSONALS

Kermit Rolland, who has been on the public relations staff of New York Life since 1949, has resigned to establish his own writing and consulting service organization in Princeton, N. J.

W. J. Hamrick, agency vice-president of Gulf Life, is now back at his office after a several-weeks stay in the hospital where he underwent a kidney stone operation.

Robert B. Wallingford, who edited the company magazine and served as public relations and promotion assistant of Guardian Life for the past year, has joined the traffic department of Young & Rubicam, Inc., advertising agency in New York City. Son of Eldon Wallingford of Life Insurance Assn., he previously served as assistant to the dean of American College.

Robert A. Wilkinson, senior training consultant in the western home office of Prudential, has been named chairman of the 1956 Los Angeles March of Dimes Campaign.

C. R. Clements Sr., honorary chairman of National Life & Accident and a founder of the company, was honored by 1,400 employees at a surprise party marking his 80th birthday.

The board of Equitable Society has presented an oil painting of **President**

Ray D. Murphy to the company. The portrait, done by artist Leopold Seyffert, has been hung in the board room with the portraits of the six previous presidents of the 97-year-old company.

Rolla Hayes, Jr., general agent for New England Mutual Life at Los Angeles, has been named to head the 1956 heart fund campaign of Los Angeles County Heart Assn. He succeeds John R. Mage, Northwestern Mutual Life general agent who headed the campaign for two years.

Maurice S. Tabor, general agent of Travelers in Buffalo, has been named chairman of the national brotherhood citation banquet to be held Nov. 30 in Buffalo. He is president of Buffalo Life Insurance Trust & Banking Council.

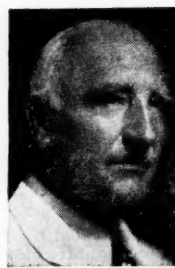


Alfred J. Hunkin, who has been named manager of Phoenix Mutual Life in Atlanta, joined the company in 1951 and was appointed field supervisor in 1953. He received management training at Boston, Kansas City, Milwaukee and the home office.

Rufus E. Fort Jr., vice-president of National Life & Accident, has been reappointed by Gov. Clement to another two-year term on Tennessee state retirement board.

DEATHS

Edward B. Raub, 83, chairman and one of the founders of Indianapolis Life, died at his home in Indianapolis after an illness of several weeks.



He and three of his brothers, along with two other persons, joined to establish the company. He had been a leader in the civic, business and political life of Indianapolis for 60 years. Law, banking and insurance were his chief business interests. In 1926 he turned all his attention to the insurance company, and was vice-president and general counsel until he became president in 1934. He was elected chairman in 1949.

Orvil T. Carington, 50, of Racine, Wis., district manager for Metropolitan Life in Racine, Kenosha and Lake Geneva, Wis., died at a hospital after a short illness. He went to Racine 10 years ago from Croton-Hudson, N. Y.

George H. Lyon, 68, general agent for Republic National Life at Hutchinson, Kan., died at Grace Hospital there after a long illness. He had been in in-

surance at Hutchinson for 37 years.

Herman Dietz, former manager for New York Life at Boise, Ida., died at his home in Van Nuys, Cal. He was manager at Boise from 1916 until 1937 when he retired and moved to California.

Raymond R. Richardson, 82, retired general agent of Equitable Society in Richmond, died. He also had been the company's general agent for southeastern Virginia in Norfolk.

Joseph C. MacGregor, 76, agent of State Mutual Life in New Haven, died there after a long illness. He joined the company in 1929 and continued to work although he was stricken with blindness several years ago.

William F. Hagerman, former comptroller of Minnesota Mutual Life, died at his home in St. Paul. He had retired about five years ago.

Franklin H. Searle, 83, retired assistant secretary of Connecticut Mutual Life, died in Hartford after a long illness.

Postal Life Increases Maximums on Juveniles

Postal Life has increased the maximum amounts it will issue on juveniles to \$1,000 for those more than two months old and \$2,000 for children more than six months.

If a \$2,000 policy is desired for a child two months old, a \$1,000 interim term policy will be issued until the infant is six months old when the \$2,000 coverage automatically will go into force. These are full benefit plans which pay the face amount on death of insured at any time. Postal Life writes endowments at ages 17 and 18, 20-year endowment, endowment at age 65 and 20-payment endowment at age 65, all on the full benefit plan. New York state previously permitted maximum coverage of \$400 up to age four and a lesser amount for the younger ages.

WQMDRT Board Nominees

Nominees for the board of Women's Quarter Million Dollar Round Table for the coming year are B. B. Macfarlane, Pan-American Life, New Orleans, chairman; Mrs. Alberta M. Light, National Life of Vermont, Detroit, vice-chairman; Helen L. Rupp, Prudential, Minneapolis, and Hedwig L. Eichenberg, Kansas City Life, Kansas City, Mo., members.

Elections will be held when National Assn. of Life Underwriters, WQMDRT's parent body, meets in St. Louis the week of Aug. 22.

Pan-Am Report Wins Award

For the fifth consecutive year, Pan-American Life has received a merit award from *Financial World* magazine for distinguished achievement in annual reporting.

An independent panel of judges viewed 5,000 annual reports submitted by U. S. and Canadian companies. Pan-American Life's report won for its content, typography and format. This award brings to 11 the number of such awards the company has won in the past six years.

THE NATIONAL UNDERWRITER

Life Insurance Edition
EDITORIAL OFFICE:
 99 John St., New York 38, N. Y.
 Executive Editor: Robert B. Mitchell.
 Assistant Editor: Edward F. Cox, John B. Lawrence, Jr. and Eloise West.

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BOSTON 11, MASS.—207 Essex St., Rm. 421, Tel. Liberty 2-1402. Roy H. Lang, New England Manager.

CHICAGO 4, ILL.—175 W. Jackson Blvd., Tel. Wabash 2-2704. O. E. Schwartz, Chicago Mgr. R. J. Wieghaus, Resident Manager.

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NEW YORK 38, N. Y.—99 John Street, Room 1103. Tel. Beekman 3-3058. Ralph E. Richman, Vice-Pres.; J. T. Curtin, Resident Manager.

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 Louis H. Martin, Vice-President.
 Joseph H. Head, Secretary.
 John Z. Herschede, Treasurer.
 420 E. Fourth St., Cincinnati 2, Ohio.
 Telephone Parkway 2140.

OMAHA 2, NEBR.—610 Keelline Bldg., Tel. Atlantic 3416. Clarence W. Hammel, Resident Manager.

PHILADELPHIA 9, PA.—133 S. Broad Street, Room 1127. Tel. Pennypacker 5-3706. E. H. Fredrikson, Resident Manager.

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National Life of Vt. Studies Large Scale Electronic Equipment

National Life of Vermont has embarked on an investigation of large scale electronic office equipment. A group appointed by the executive committee and headed by Assistant Actuary Robert C. Morrow will make an intensive study of procedures and volume in types of operations at the home office which the equipment might handle economically and will investigate the equipment. Duration of the study is indefinite.

In the procedures group are William R. Burns, planning division, J. Lloyd Ashland, treasurer's department, and Edward G. McGinley, secretary's department. Roy L. Johnson, chairman of the advisory planning committee, will coordinate the project. The services of William V. Cassara and William V. Boyd, who have had professional training in means and methods of electronic data processing, will be available to the group.

President Deane C. Davis said there will be no discharges or demotions if the company adopts more extensive use of electronic data processing equipment which might result in fewer personnel. Any warranted reduction will be allowed to take place through normal terminations without replacement, he said. This modern means of handling mass detail would provide opportunity for high type employment in operations not now existent, he added.

Large scale electronic data processing machines, already installed by a few insurance companies, are being investigated by a great number because of their apparent capacity for handling great volume of work in a wide variety of repetitive operations at high speeds. Since they are new and currently subject to frequent changes in important elements, any study of their applications demands the utmost in adaptability applied to a thorough knowledge of objectives, the company said.

National Life of Vermont has had the advantage of two years' experience with a punched-card electronic computer which incorporates certain performance features of the more versatile machines. Within its limitations it has fulfilled expectations as to economies of equipment and personnel, the company said.

National Life of Vermont has 600,000 premium collections a year, 575,000 mortgage amortization collections, 40,000 policy loan collections, 300,000 dividend payments, 50,000 annuity payments, 65,000 installment benefit payments and 100,000 other payments. The company may or may not have reason for an electronic processing installation in which unit performance time is measured in millionths of a second. This is the problem to be studied by the newly organized procedures group.

Krey, Preston Now 2nd V-Ps of Northwestern National

Willis R. Krey and Robert F. Preston have been named 2nd vice-presidents of Northwestern National Life. Mr. Krey also will have the title comptroller, one he has held since 1952. He joined the company in 1917, and has played a large part in making Northwestern National's annual report the earliest by any major life company.

Mr. Preston, a fellow of Society of

Results for First Six Months Given

	1955 New Life Ins. Bus.	1954 New Life Ins. Bus.	1955 In Force Inc.	1954 In Force Inc.
Business Men's Assurance	113,371,135	94,259,644	58,880,383	40,757,819
Country Life	40,357,593	46,950,214	26,848,486	37,265,150
Federal Life of Ill.	25,708,397	19,101,984	16,815,258	10,264,753
Home Life of New York	117,138,802	94,579,965	81,349,028	61,016,031
National Life & Accident	463,580,301	451,871,257	152,561,990	125,086,296
North American Life of Chicago	21,939,856	11,592,862	13,757,433	4,414,422
North American Life, Toronto	71,379,821	58,223,475	54,037,444	41,146,020
Northwestern Mutual Life	291,580,272	270,639,861	181,606,970	168,978,575
Occidental Life of California	552,899,732	451,169,191	366,888,847	196,857,788
Penn Mutual Life	263,463,805	206,052,542	146,845,249	108,265,507
In addition revivals and increase amounted to:	\$6,761,191;	\$548,599.		

Actuaries, was with the Iowa department before joining Northwestern National in 1925.

C. Roger Hodney has been named superintendent of agencies for the midwest division at Des Moines, replacing M. Ray Davis, resigned. His father, the late Charles M. Hodney, was a Northwestern National general agent at Morris, Ill. C. R. Hodney started with his father's agency in 1946 and in 1951 became a field supervisor for the central division. He went to the home office in 1954.

Pru Offering A&H for 60-70 Age Group

Prudential is expanding its individual A&H program to provide special policies for persons from 60 to 70 years old for life-time hospital, surgical and other medical expense coverage.

Called the senior hospital expense program, the policies will be offered to the public in September in the U. S., Canada and Hawaii. The policies are guaranteed continuable during the entire life time of insured.

The company reserves the right to change premiums because of the experimental nature of the coverages. However, any rate change may be made only on a class basis and not because of physical impairments or claims by an individual policyholder.

The various types of plans range from an \$8 daily allowance for hospital room and board for 28 days, \$200 for surgical benefits, and additional funds for operating room, laboratory fees and other expenses, up to \$12 per day for hospitalization for 35 days, \$300 in surgical benefits and additional miscellaneous allowances. There are no limits on the total number of disabilities for which insured may be paid. There are limitations, however, on the aggregate amount of hospitalization expenses that will be paid during the life of a policy and on the benefits payable for each confinement. The aggregate amount of hospitalization allowances range from \$1,200 to \$2,400, depending on the policy. The schedule of surgical benefits is not affected, since it is continued for life.

The policyholder will pay no further premiums after reaching 80 or after receiving payment of the aggregate of hospitalization benefits permitted under a policy, whichever occurs first.

Groh Named G. A. of Travelers in N. Y. C.

Frank S. Groh has been appointed general agent of Travelers at 18 John Street, New York City. He joined Travelers as a field supervisor in Brooklyn in 1925. In 1929 he went with the Grill agency, then a general agent of Travelers. In 1932, he joined the Louis Reichert agency with which he has been associated since.

New United Fidelity Officers

D. Easley Waggoner, president of United Fidelity Life of Dallas, has been elected chairman and Cedric Burgher, vice-president of the com-

pany since its organization in 1920, becomes president. Vernon D. Singleton is advanced from vice-president to executive vice-president.

Mr. Waggoner served the company that he helped organize as vice-president and general manager for several years succeeding his father, the late D. E. Waggoner, as president in 1948.

San Antonio CLUs Elect Bass

San Antonio CLU Chapter elected the following new officers: Harper Bass, Massachusetts Mutual Life, president; Kennedy Dodds, Union Central Life, vice-president, and Phil Shrader, Southwestern Life, secretary.

Disability Benefit Law Payments in N. Y. Show Decrease

A total of \$86.6 million in benefit payments was made under the disability benefit law in New York in 1954, against \$87.5 million in 1953. Claims totaled 577,500, against 618,000.

Initial claims paid by insurers during the year totaled 321,300, by self-insured employers 251,600 and special fund for disability benefits 4,600.

Miss Angela R. Parisi, chairman of the New York State workmen's compensation board, said the reduced number of claims reflects in part the lower level of employment which prevailed at midyear. Covered employment when averaged for all quarters was 76,000 less than in 1953.

Toledo Managers Elect

Gilbert C. Templeton, Metropolitan Life, has been elected president of Toledo Life Managers Assn. to succeed Donald L. Wulz, New York Life. O. M. Heine, Lincoln National Life, and Alvin K. Dickson, Equitable Life of Iowa, were named vice-president and secretary, respectively.



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**New Highs for First Half
Reached by Great-West**

Record new sales of insurance and annuities totalling \$171 million were registered by Great-West Life for the first six months of the year.

Total new sales were substantially ahead of comparable 1954 figures and ordinary business was up 11%. Total business in force passed \$2.8 billion by mid-year. Group insurance and annuities business in force is now \$923,300,000, an increase of \$48 million since the beginning of the year. A&H premium income is running at an annual rate of more than \$16.5 million, a gain of 15%.

During the first six months assets increased \$17 million, reaching a total of \$531 million. A large portion of new company funds was invested in mortgages during the period, and delinquencies in mortgage accounts, as in other classes of assets, now are at the lowest level in experience. The policy of liquidating government bonds for reinvestment in higher yielding securities was maintained.

**Benjamin, Assistant Cal.
Commissioner, to Retire**

LOS ANGELES—Assistant insurance commissioner Harold A. Benjamin, administrative head of the Los Angeles office and chief of the conservation and liquidation division of the California department, has made application for retirement.

A graduate engineer, Mr. Benjamin joined the department in 1932 and was appointed chief of the conservation and liquidation division which had been created in the reorganization of the department in 1931. He has continued in that position until the present, and for the last decade has been administrative head at Los Angeles. As chief of the division he has had jurisdiction over proceedings in conservation and liquidation of 10 California insurers, singly, and 12 chapter 8 and nine disability insurers.

**Northwestern Mutual Life
Agent Groups Elect Officers**

Harry Krueger, New York City general agent, was elected president of Northwestern Mutual Life's Assn. of Agents during the annual meeting in Milwaukee. G. Wendell Dygert, Fort Wayne, was named 1st vice-president; John O. Todd, Chicago, 2nd vice-president, and Lester A. Wilbert, Milwaukee, was reelected secretary.

Three other agents' associations also elected officers. The general agents chose Glenn B. Dorr, Hartford, as president. Other officers are Willard L. Momsen, Milwaukee, president-elect; Lawrence J. Evans, Portland, 1st vice-president; Howard D. Goldman, Richmond, 2nd vice-president, and William C. Roeder, Aurora, Ill., secretary.

Mr. Dygert also was elected president of the district agents' group. John H. Vance, Canton, O. is 1st vice-president; Charles K. Zug, Bethlehem, Pa., 2nd vice-president, and William K. Pierce, Elgin, Ill., secretary.

Special agents elected Mr. Todd as president, Leigh T. Prettyman, Muskegon, Mich., 1st vice-president and A. C. F. Finkbinder Jr., Philadelphia, 2nd vice-president. Leslie E. Westin, St. Paul, continues as secretary.

**Reichart Heads Va. Agency
for Minnesota Mutual**

Paul I. Reichart has been appointed general agent in Richmond, Va., for Minnesota Mutual Life.

Mr. Reichart was general agent for Minnesota Mutual at Bloomsburg, Pa., from 1947 to 1952 when he joined Ohio Farm Bureau Life.

**Ohio State Life Appoints
McNeil at San Antonio**

Ohio State Life has appointed Bert McNeil Jr. general agent at San Antonio, Tex. He is the son-in-law of Monte Brown, former general agent for the company there.

Mr. McNeil has been with Ohio State Life since 1946.

**Senate Moves SS Wage
Credits Bill for GIs**

WASHINGTON—The Senate passed a House bill to provide wage credits under the social security act for military service before April, 1956, and to permit application for lump sum benefits under title two of the act to be made within two years after interment or reinterment in the case of servicemen dying overseas before then.

The bill authorizes a nine-month continuation through March 31, 1956, of these provisions which, under the existing law, would not apply to service or deaths after June 30, 1955.

The House ways and means committee favorably reported a bill to eliminate remarriage of widows as a bar to OASI benefit payments if they are rewidowed within a year. Because this measure was not unanimously approved in committee, it was to be included in a "bobtail" tax bill prepared in committee.

Rep. Keogh of New York introduced a bill to provide deductions for gifts to non-profit voluntary health insurance plans.

Thinking of the Future?

Here's a real opportunity to join an expanding organization which sells life insurance to Lutherans exclusively. Founded in 1917, LUTHERAN BROTHERHOOD now has more than a quarter million policyholders and nearly \$600 million life insurance in force.

Last year 28 LUTHERAN BROTHERHOOD representatives qualified for the "President's Club" by each putting in force more than \$500,000 of new business. A complete line of policies is available.

The new Home Office building of LUTHERAN BROTHERHOOD, now under construction in Minneapolis, will be completed this year.

Send the coupon today for a free booklet, "Career Opportunities," that will give you more helpful information about this growing life insurance organization.

— MAIL THIS COUPON TODAY! —

Please send me the free booklet, "Career Opportunities."

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New Texas Laws Clear Up Trouble Spots

(CONTINUED FROM PAGE 2)

new stock issues regularly, urging the public to buy, pointing to the success and financial accomplishments of the much older and established eastern companies, and offering stock at ridiculously high prices. Many of the new companies that had been licensed continued their stock selling programs and in many cases were doing much more business in stock sales than in life insurance. In fact it was not uncommon to see such companies with an agency room almost vacant and with no signs of activity connected with it, whereas the room devoted to stock sales would be full of salesmen, sales charts, telephones being used almost constantly by those of the sales staff and every evidence of an intensive unremitting sales drive.

There can be no doubt such operations gave many in Texas the feeling that life insurance was pretty much of a racket; that its stock was a kind of gold mine, that the life insurance companies generally were piling up inordinate profits. The effect of all of this on the whole structure of life insurance in Texas was detrimental and it is a great relief to those genuinely in the life insurance business in the state to know that the get rich quick atmosphere has been removed, that for the most part the life companies in the state will now of necessity concentrate on the sale of life insurance rather than of life insurance stock. There now is assurance that companies will give earnest heed to the interest of policyholders, fulfilling, thereby, the purpose for which they were organized.

As initially introduced, the securities bill simply would have required that "full disclosure" be made to the board of insurance commissioners by all persons desiring to sell insurance securities. As long as the plans were to be disclosed, the board had no power to refuse to allow the sale of securities. At the time the bill was described as constituting a "license to steal." Proponents of a sound law governing insurance securities won out, and no longer will the insurance promoter have a free rein in Texas.

The new law places insurance security regulation under the board of insurance commissioners, giving them authority to stop schemes not in the public interest. Generally, regulations are similar to those applicable to other corporations under the jurisdiction of the securities commissioner. Commissioners are given authority to hold a public hearing before licensing a new company, with the power to deny a license if there is cause for so doing. The board also may inquire into the competence, fitness and reputation of the officers and directors applying for a renewal license.

Another important measure was revision of the code section dealing with examination of insurers so as to fix responsibility in the board of insurance commissioners, as distinguished from that of the board chairman. New standards for examination procedure are established. Most of the companies that caused trouble in the past were comparatively new organizations, some having been in business only a few months. The measure eliminates this trouble spot by providing for mandatory examinations at intervals of six months for new companies during the first three years and annual examinations thereafter for a period of three

more years, with examinations to be conducted every two years after the sixth year.

Among other significant measures was one requiring the board of insurance commissioners to act as a unit, rather than as individual commissioners. Previously the life commissioner automatically has been chairman of the board. The chairmanship now will be an elective office from among the three commissioners.

Many other trouble spots will be cleared up through the 22 new laws and amendments passed by the legislature, many of which serve particular purposes. One requires life companies to maintain in force a minimum of 100 policyholders and a minimum of \$200,000 of life insurance in order to retain their charter. Others are of a less general nature, such as the one permitting group insurance for city employees.

The three commissioners have characterized the new laws as closing every major loophole in insurance regulation in the state. The thoroughness with which the new statutes treat the problem areas of regulation

is the most striking feature, they say. The provision for semi-annual and annual examinations is likely to result in a relatively high rate of insolvencies and receiverships. The commissioners are quick to point out, however, that this result will not be a symptom of weakness if it materializes, but a direct product of the greater strength of Texas regulations. Supporting this is the fact that from the time the reform measures were introduced in the legislature until their passage more than 100 companies were chartered in the state, no doubt in anticipation of the higher minimum capital and surplus requirements.

Failure of the legislature to provide adequate enforcement funds was termed by the commissioners as their principal problem.

Ten of the remaining new laws, many already in effect, deal with life insurance. An agency qualification law provides for written examinations of applicants and increases the annual license fee from \$2 to \$5, and there are provisions for a uniform A&H policy, licensing and regulation of life insurance counselors and special group policies.

New fire and casualty laws provide for licensing of non-resident agents,

exempt professional liability from the single rate law and make minor revisions in title insurance.

Some of the other new laws are streamlining of liquidation procedures, a provision for judicial review of actions of the board of commissioners, and a measure placing lodges and orders that write insurance under board jurisdiction.

Kan. Department Collects Record \$5 Million in Fees

The Kansas department collected a record \$5,111,768 in fees for the past fiscal year as compared to \$4,448,972 in the previous year.

Of the fees collected in the past year, \$110,000 was used for operation of the department; \$284,470 for firemen's relief; \$35,750 for the school fund; \$116,291 for the state fire marshal's office, and \$70,752 for examination of insurance companies' books.

Aetna Life has signed a three-year lease for 31 units in a new Hartford apartment house to provide housing facilities for agents attending home office training schools. Beginning in September, the company will be able to accommodate 66 students at a time in the apartment.

OUR NEW "705" CAN'T WRITE BUSINESS

We recently ordered one of IBM's new Type 705 "electronic brains".

The machine is fantastic. It does all sorts of mathematical gymnastics at lightning speeds, and it has a "memory" unit in which data may be stored to produce other data.

But it can't write business. That detail will still be handled by our Type 1955 force of Shield Men who this year will surpass all their own brilliant past records for growth.



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HOME OFFICE - NASHVILLE, TENNESSEE

Exempt Insurance from Unlisted Stocks Bill

WASHINGTON—A Senate subcommittee headed by Sen. Lehman of New York has voted to exempt insurance companies from a bill to regulate unlisted securities traded "over the counter." The bill would require registration with securities and exchange commission by companies with 750 or more stockholders, \$2 million assets or

\$1 million bonds or debentures.

Representatives of insurance interests filed statements with the subcommittee urging insurance exemption from the bill because insurance is adequately regulated by the states. The full banking committee was expected to approve the exemption, but passage of the bill will be delayed until the next session of congress, which will reconvene Jan. 3, 1956 unless a special session is called by the President.

Lutheran Mutual

LIFE INSURANCE COMPANY

PROUDLY SALUTES ITS 1955 NQA WINNERS

Fifty-eight Lutheran Mutualmen have won the National Quality Award.

Our congratulations to them for work well done.

J. V. Albrecht	E. K. Hasselbring	Harold A. Palmer
Charles E. Alt	Ernest L. Hax	John M. Park
Arthur H. Arneson	John R. Home	Leslie M. Pearson
Marc W. Arneson	Frank J. Hummel	D. E. Peters
H. G. Austinson	Hart P. Kjeer	L. R. Prather
Melvin W. Babbitt	Karl W. Klett	Harvey C. Raasch
Carl F. Bockelman	Donald E. Koehn	George C. Rausch
Albert E. Buenzow	Leonard C. Kramer	Benno H. Ritter, Jr.
Walter Burmeister	I. B. Krienke	Benno H. Ritter, Jr.
Carleton G. Case	M. M. Larson	Howard F. Ritter
Herbert E. Clarke	Wm. A. Le Cook	I. E. Rosholt
Melvin I. Crumrine	Harold C. Ling	George L. Schnug, CLU
Oliver J. Curfman	L. A. Lubben	Elwin H. Schubbe
L. H. De Weerth	F. H. Lueck	Victor W. Schulz
Albert Felmet, CLU	Benton Lyedecke	Hubert A. Seifert
Virgil H. Folkers	Herold J. A. Lueders	E. H. Shields
A. C. Grossmann	Ben G. Marten	George H. Sielschott
H. H. Hantelman	Gladys H. Marten	Arthur W. Winkelhake
Carl F. Hanusa	Martin A. Moerbe	
Samuel J. Harke	Herbert A. Oster	

LUTHERAN MUTUAL LIFE INS. CO. ★ WAVERLY, IOWA

To Inquire Further into Welfare Funds

Martin S. House, appointed some time ago as special counsel to supervise the New York insurance department's investigation of employee welfare funds, is completing the organization of his staff.

Mr. House will explore the various areas of welfare fund activities so he can present to the governor by the end of the year a comprehensive and specific set of recommendations for control and supervision of such plans through legislation.

He will develop standards of conduct, reserves and solvency for such funds comparable to those now applied to insurers by New York and study how to extend the state's supervision over such plans.

Another objective is to devise measures that will prevent and deal with irregularities and abuses in the administration of the funds, such as were disclosed in last year's investigations by the department.

Mr. House is authorized to modify or broaden the proposed program as the need is indicated. His plans call for public hearings.

Vote to Kill Employees' Premium Collection Fee

The laws and rules committee of Jacksonville, Fla., city council has voted to eliminate an ordinance requirement that insurance companies must pay a fee amounting to 1½% of insurance premiums deducted from city employees' payroll to compensate the city for the work involved. The rule has been on the books since 1939 but has not been enforced.

City Auditor Pace said the collection fee will be deducted beginning Aug. 1 unless the law is changed. He said it costs the city \$8,000 a year to collect premiums for 17 participating companies. If more companies qualify, \$60,000 worth of new accounting equipment will be needed.

The decision to remove the requirement was reached after city commission recommended to boost the fee to 3%, but then withdrew the proposal after Jacksonville Assn. of Life Underwriters opposed it. William J. Hamrich, association spokesman, said employees save money because premiums are charged on a yearly basis. Rates would

increase 8% if policyholders made their own monthly payments to the companies.

City Attorney Madison said state laws prohibit companies from paying a fee for collection of premiums. City council discussed but took no action on some other restrictive changes, including one to limit participating companies to 17.

R. H. Stade to Berkeley for Occidental Life, Cal.

Rowland H. Stade, formerly assistant manager in San Francisco for Occidental Life of California, has been named general agent in Berkeley, Cal.



R. H. Stade

Mr. Stade, who joined Occidental in 1952 as assistant brokerage manager at San Francisco, has been in life insurance for 10 years. His previous affiliations were with Connecticut Mutual Life and New York Life.

Pan-American Names Two Assistant Actuaries

James R. Gillan and Howard D. Allen have been appointed assistant actuaries of Pan-American Life.

Mr. Gillan joined the company in 1949 and was promoted to actuarial supervisor in the actuarial department in 1950. He is an associate in Society of Actuaries.

Mr. Allen, who had been with New York Life, joined the company last January. He is a fellow of Society of Actuaries.

Attendance Record Set at Conn. General Parley

The largest group of agents ever to qualify for the President's Club of Connecticut General Life, 124 of them, attended the annual meeting in Manchester, Vt.

A luncheon marking the company's 90th year highlighted the meeting. President Frazar B. Wilde and Rees H. Harris Jr., a board member, spoke. Austin C. Diggs, Baltimore, was toastmaster.

The four-day conference included seminars and panel discussions. Edmund W. Lienke, Minneapolis, and Jean Black, Indianapolis, were moderators.

Travelers TV Hearing

WASHINGTON—The contested application of Travelers for a TV broadcasting station license in the Hartford area will be orally argued before federal communications commissions after Labor Day.

Parties which have filed exceptions and supporting briefs are Travelers, Hartford Telecasting Co., which charged a "monopoly" by Travelers in the Hartford area, and FCC broadcast bureau, which disagreed with some of Examiner Litvin's findings in the case.

State Farms Raises Hunsaker

Kenneth Hunsaker, assistant vice-president of State Farm Life, has been named assistant state director to C. E. Payne in Alabama for the State Farm companies.

Starting as an agent in 1946, Mr. Hunsaker became assistant vice-president in charge of the Gulf head office in 1953. He is a CLU.

Colonial Life 25-Year Term Rider

Colonial Life has adopted a new 25-year term insurance rider to be used as mortgage cancellation protection. It supplements the company's portfolio which already contains 15 and 20-year term riders.

REPORT OF

Continuing Progress

ASSETS '189,916,371.30

1954 GAIN IN ASSETS
'7,907,679.51

10-YEAR GAIN IN ASSETS
'58,913,994.01

Insurance in Force \$562,916,923

Benefits Paid \$800,000,000

Proud of Our Past . . .
Prouder Still of Our Present . . .
Facing the Future Confidently
In Our 73rd Year



Increased earnings and the opportunity to "get ahead" are built into the future of the Modern Woodmen agent. If you want a career with a future—one that will give you opportunity to use your talents to the fullest—there's a place for you at Modern Woodmen.

FROM MODERN WOODMEN OF AMERICA

ASSET DISTRIBUTION

74.1% Bonds & Stocks

17.8% Mortgages

8.1% Other Assets

1955 DIVIDEND SCHEDULE INCREASED
\$1,000,000 OVER 1954

MODERN WOODMEN OF AMERICA

Est. 1883

ROCK ISLAND, ILLINOIS

May Ask Legislation on Life Sales to GIs

(CONTINUED FROM PAGE 8)

specializing in writing policies on servicemen.

Mr. Grayson said he wanted to make it clear that neither NALU nor, so far as he could determine, any of its members have any connection with or sympathy for European Assn. of Life Underwriters. NALU feels more stringent requirements should be imposed on the qualifications and licensing of agents who engage in life sales to military personnel, he said.

Companies and agents selling on military reservations in the U.S. should be licensed by the states in which they are located, whether or not the reservations have been ceded to the federal government. This would make the companies and agents subject to state insurance laws, Mr. Grayson said.

Since foreign reservations cannot be regulated by states, the licensing and supervision should be vested in the Defense Department, he said. Companies doing business with servicemen abroad should be approved by the department, agents should gain clearance to sell, and an officer familiar with insurance should be available to counsel the men, the NALU spokesman said. Also, all companies doing business on overseas military posts should be in operation for five years.

Rather than curtail the privilege of paying premiums by allotment, consideration should be given to expanding it. The problem can be solved by regulating the activities of the agents and companies, Mr. Grayson said. The question of providing policy provisions for venue and service of process in the state of residence of insured is a matter of concern to the companies rather than to their agents.

Superintendent Leggett said abuses in sales on military installations can best be eliminated by making solicitations by companies and agents subject to supervision of the regulatory official of the state in which the base is located. Congress should adopt and adhere to a standard regarding sales on reservations and full recognition should be given the insurance laws in which the posts are located. NAIC also was represented by past President Martin of Louisiana and executive committee Chairman Navarre of Michigan.

It was also suggested that NAIC might set up an advisory committee to pass on qualifications of companies seeking to sell to servicemen overseas, thereby screening out fly-by-night insurers.

Mr. DuFlom said the Pentagon has received complaints that some policies are overpriced, offer inadequate protection and sometimes are sold by inadequately financed insurers. He discussed Defense Department directives and explained how they were designed to curb some abuses. He said Mr. Walter's committee of representatives from all three services is considering further steps against fraudulent representations and unethical practices.

Mr. Walter reported 38 life agents have been banned from military posts for improper practices during the past four years and "more are coming up." Most of these agents had violated regulations in selling policies in the U.S., and at least 70% of them have had their licenses taken away by the states, he said.

Rep. Teague said Monterey Assn. of Life Underwriters wanted to be sure

that the allotment system of paying for premiums is continued.

Mr. Ford, a former deputy attorney general, and Mr. Pittman said they did not object to setting experience qualifications for agents but felt it would be discriminatory to require small companies to qualify in all states in which federally ceded military posts are located. They agreed that the allotment procedure should not be curtailed because it would be detrimental to the servicemen to prohibit its use, even for the first year of the policy.

Larson Objects to National Union Ads

National Union Life has been refused, by Tallahassee Circuit Judge Walker, an injunction to restrain Florida's Insurance Commissioner Larson from proceeding with a hearing on charges that the company is publishing misleading advertising by stating that it is a Florida company. Mr. Larson is objecting to slogans "Miami's Own" and "Florida's Own" used by the company and the phrases "our home-owned company here in Miami" and "Florida's fastest growing life insurance company" which Larson said are "untrue, deceptive and misleading" because "National Union is organized and exists under the laws of Alabama and operates a foreign life insurance company" in Florida.

Basil P. Autrey, general manager, and Thomas E. Lee Jr., Miami attorney for the insurer, said that practically all of the company's operation is in Miami and that the company, although originally domiciled in Birmingham, Ala., had moved its home office to Miami in 1953. Mr. Autrey said that the courts of many states "have held that a corporation may maintain its home office wherever it does its principal business and acquire a commercial domicile at a place other than the place of incorporation." He said the majority of all policyholders are residents of Miami, a large percentage of the stockholders and officers are residents of greater Miami, the home office employs more than 70 personnel, that more than 300 agents operate out of Miami, and all the investments of the company are in property in the Miami area and Florida.

Mr. Lee has announced intentions to appeal to the state supreme court, at which time a permanent injunction will be sought.

The hearing has been set for Aug. 16 by Mr. Larson.

Prudential Names Brewer to Houston Agency Post

Donald O. Brewer has been promoted to associate director of agencies in the southwestern home office of Prudential at Houston.

Mr. Brewer went with Prudential in 1937 as an agent at Rochester, N. Y., going to Houston in 1947 as a staff manager. He later served for two years at Austin in a managerial post before being named to the district agency staff at the regional home office.

Occidental of California Advances W. F. Schmitz

Walter F. Schmitz, superintendent of the A&H department of Occidental Life of California, has been promoted to assistant vice-president.

Mr. Schmitz has had more than 25 years of experience in the A&H field, as an agent with Travelers in San Francisco from 1928 to 1936, as division manager there for Loyalty group's A&H department until 1940 and with Occidental since then. He is a member of the A&H committee of LIAMA and is serving on several committees of Bureau of A&H Underwriters.

Montana Agents Form New Advisory Council

Representatives of six Montana insurance associations have formed Montana insurance advisory council to coordinate activities of the state

insurance industry.

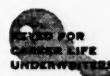
Represented in the council are Montana Assn. of Mutual Agents, Montana Assn. of Insurance Agents, Independent Agents Assn., Montana Life Underwriters Assn., and Surplus Line Assn.



FRED A. SMART
GENERAL AGENT
DETROIT, MICHIGAN

MASTER AGENCY

Builder



FOUNDED IN 1867
IN DES MOINES

Annually, since 1934, the Equitable Life of Iowa has recognized, by its Master Agency Builder award, pre-eminence among its general agents in matters of organization, production, conservation, average size policy, and other major factors of agency building. Once attained, the Master Agency Builder award cannot again be won until three other general agents have subsequently qualified for the award.

Fred A. Smart, general agent in Detroit since 1926, Master Agency Builder award winner of 1955, qualified for that ranking Company honor in 1947 and 1951. The Detroit Agency, under Mr. Smart's direction, was the Company's leading agency in paid production in 1950, 1951, 1952 and 1954.

EQUITABLE LIFE INSURANCE
COMPANY OF IOWA

A PILLAR OF PROTECTION

Throughout its 65 years, the Woodmen of the World has been a pillar of strength in countless thousands of American homes.

In happiness and in sorrow, it protects its members with safe, sound, legal reserve life insurance PLUS the many extra benefits and pleasure they derive from Woodcraft's fraternal and social activities.



World's Financially Strongest Fraternal Benefit Society

WOODMEN OF THE WORLD
LIFE INSURANCE SOCIETY
Omaha, Nebraska

Home Office: Insurance Bldg., 1708 Farnam St.

Forms New Insurer, Seeks to Buy Another

(CONTINUED FROM PAGE 1)

Richmond, and the company will transact business in life insurance, annuities and A&H.

Directors of Western States Life are countering the Murchison offer for that company with an all-out effort to keep ownership with North Dakota stockholders, and according to President Otto Haakenstad the Texas group did not gain control on its first offer which expired July 18.

Mr. Haakenstad said an offer of \$5 for each \$1 per value share of Western States, made by a Dallas broker, did not result in any requests for transfer of stock ownership. However, other sources indicate Murchison probably obtained ownership of at least 10% of the company's 341,000 outstanding shares. This would make him the largest single owner as previously the biggest block held by any one owner was 10,000 shares. The Texas group apparently is continuing its efforts to gain control of the company.

Mr. Haakenstad termed inadequate the \$5 per share offer. He said the book value of the stock, determined by capital and surplus, is approximately \$4 per share, and this does not include the value of life insurance in force of more than \$61 million as of June 30, nor the value of the productive forces of the company, built up over the past 25 years and currently producing at a rate of \$10 million of new business annually. Life insurance stocks listed on the market frequently sell at from four to five times book value, according to Mr. Haakenstad.

There have been life insurance company sales where a value of from \$15 to \$20 was attached to each \$1,000 of ordinary business in force, and about \$30 for industrial.

To keep Western States Life ownership in North Dakota, Mr. Haakenstad said there is a group of local persons ready to match the Murchison offer. He named four banks which stockholders who wish to sell could contact if they wanted their stock to remain in local hands.

Early in 1954 there were reports that attorneys for C. W. Murchison made a \$17 million offer for Pacific Mutual Life, contingent upon the state appeals court upholding contentions of a group of stockholders of the "old" company who were seeking to stop Pacific Mutual's mutualization. The court upheld the mutualization plan, as did the state supreme court subsequently. Only recently the supreme court denied stockholders a rehearing on the decision.

C. W. Murchison will be remembered as one of the men who helped Robert R. Young gain control of the New York Central Railroad with a \$10 million purchase of that road's stock.

He then was the subject of several magazine articles, one in *U.S. News & World Report* stating that he wants capital growth and so lets earnings accumulate. Life insurance companies seem to fit his philosophy as they offer excellent opportunity for long-term capital gain.

Mass. Mutual Appoints Jones, Letwin Managers

Massachusetts Mutual Life has appointed Philip F. Jones manager of the valuation department and Fred G. Letwin manager of the mathematical department.

Mr. Jones joined the company in

1923 and has served in the valuation department, formerly the actuarial department, since 1927. He was promoted to assistant manager in 1948.

Mr. Letwin, with the company since 1949, became actuarial assistant two years later and assistant manager in 1953. He is a fellow of Society of Actuaries.

\$1 Billion of A&H in Force

Life & Casualty of Tennessee has reached the \$1 billion mark of A&H in force. The company also had \$1.25 billion of life in force at midyear.

Rules on Charges in Okla. Against Columbian Nat'l

Oklahoma Commissioner Hunt has withdrawn approval of one of the policy forms of Columbian National Life in upholding part of the complaint by W. Dan Wilbanks of Tulsa, former state general agent for Columbian.

However, Mr. Hunt said there was insufficient evidence to sustain Wilbanks' allegation that the company evaded state premium taxes. Mr. Wilbanks made a number of allegations

against Columbian and a hearing was held by Assistant Commissioner Rhode last April 15. Columbian was represented by Joseph A. Kelly, vice-president and general counsel.

As a result of Mr. Rhodes' findings, Mr. Hunt has ordered Columbian National to stop issuing policy form 3540 which Mr. Wilbanks alleged was issued prior to its approval by the commissioner's office. Mr. Kelly argued the policy form had not been officially turned down by the commissioner.

WANT ADS

Rates—\$18 per inch per insertion—1 inch minimum. Limit—40 words per inch. Deadline 5 P. M. Friday in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER—LIFE EDITION

AGENCY DIRECTOR OPPORTUNITY

Salary — Bonus — Commission

Substantial Texas Company, non-stock selling, no A & H, wants a capable man to assume agency management responsibility in Home Office. The man must have a successful background as a Director or personal producer, with proven ability to recruit men.

This will be an excellent permanent job for the right man. Flush volume not expected or desirable.

Also need State General Agent for New Mexico and Wyoming.

Write full details in confidence to—Box G-35, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

EDUCATIONAL DIRECTOR

Pan-American Life Insurance Company, one of America's fast growing companies, needs a man to take over and direct the educational program of our Field Organization. We would prefer a man who has had experience both in the field and in a Home Office. He will live in "America's Most Interesting City" and work in one of the most beautiful Home Office Buildings in the United States, with the swellest kind of people. Send résumé, with picture, in confidence to Kenneth D. Hamer, Vice-President and Agency Director, Pan-American Life Insurance Company, 2400 Canal Street, New Orleans 19, Louisiana.

HOME OFFICE UNDERWRITING HEAD

We are a newly formed life company with \$1,000,000 of capital and surplus. We expect to develop aggressively in the ordinary field primarily through the 3,000 agents now representing casualty and fire parent company which was founded in 1841.

We prefer an Underwriter with a college background, at least four years of experience as a Chief Underwriter of ordinary, age 35 or under, who has the capacity to handle underwriting, issue, policy changes, and policy title, and who wants to grow with us. Salary dependent upon experience and background.

Write in complete confidence giving complete personal and business history.

Personnel Department
Security-Connecticut
Life Insurance Company
175 Whitney Avenue
New Haven, Connecticut

SECURITIES and INSURANCE SALESMEN

Opportunity in Indiana to distribute new 50/50 Certificates plus full portfolio of active life insurance common stocks. Permanent connection. Highest commission plus bonus, plus expenses. Contact Capital Securities Co., Merchants Bank Bldg., Indianapolis, Ind.

Opportunity for **AGENCY ASSISTANT** in Home Office of large New England life insurance company. Prefer young man with home office or agency experience in cost work and office layout.

Furnish complete personal history in first letter. All replies will be treated confidentially.

Write Box #G-45. The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

ASSISTANT ACTUARY

A large Midwest company with plans for expansion has a splendid opportunity for young man who has completed his fellowship or associateship examinations. Please write stating experience, age, family status, and expected salary. All eligible members of our staff have been informed of this ad. All replies will be held confidential. Address G-15, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

SPECIAL OPPORTUNITY FOR

10 PERSONAL PRODUCERS

IN MARYLAND, VIRGINIA, NORTH CAROLINA, TENNESSEE, GEORGIA, SOUTH CAROLINA, MISSISSIPPI, LOUISIANA, ALABAMA OR FLORIDA

If you reside in any one of these states
If your paid business was over \$500,000 last year

If your lapse rate was below 18%
If you want to expand your operations and income

THIS IS YOUR OPPORTUNITY

If you would like the highest commissions in the industry on personal business

If you would like to appoint sub-agents and, after giving them a top commission contract, receive an over-ride commission

If you would like to have these advantages plus group insurance and personal pension plan. With a major company. Both life and A&H. Then ask about our

SPECIAL DISTRICT PLAN

In your first letter give (1) personal details about yourself (2) your life insurance history and record (3) small photo or newspaper or magazine picture of self. (Not returnable.) All communications strictly confidential. Our field organization knows about this advertisement.

ADDRESS:

SALES MANAGER—BOX G-30,
The National Underwriter Co.,
175 W. Jackson Blvd. Chicago 4, Ill.

GENERAL AGENTS

Excellent opportunity for men specializing in writing of Army, Navy and non-flying Air Force Personnel—all grades. Become a General Agent in our expansion program. Openings available in Virginia, South Carolina, Georgia, Tennessee and Florida. We are licensed in these States. Top commissions, lifetime renewals, over-writing, inheriting of agents' commissions and bonuses. Well established 21-year old Company, recommended by Dunne's. Send full details in confidence to Box G-43, National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

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"I NEVER GAVE IT MUCH THOUGHT"

You should, Mister Agent . . .

Our training, topnotch sales aids
and individualized policies to
meet individual needs are
designed to make

more money for you under

**PAN-AMERICAN'S
CAREER CONTRACT**



PAN AMERICAN

LIFE INSURANCE CO.



NEW ORLEANS, U.S.A.

CRAWFORD H. ELLIS
President
EDWARD G. SIMMONS
Executive Vice-President
KENNETH D. HAMER
Vice-President &
Agency Director

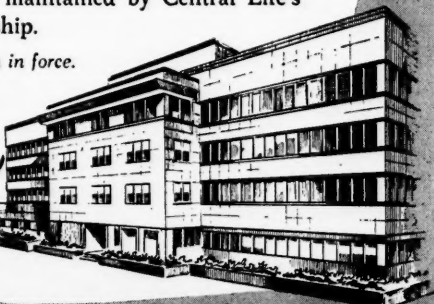
"One of the Best"

. . . a reputation earned by Central Life's consistently excellent record of Safety, Service and Strength through six decades.

. . . a reputation maintained by Central Life's progressive leadership.

Over \$400 Million in force.

**Central
Life ASSURANCE
COMPANY**



611 FIFTH AVENUE • DES MOINES, IOWA

Since its inception, Cal-Western's "YOU, Inc." training program for agents has attracted interest from many segments of the life insurance industry. If the program has enjoyed above-average success, we believe it is due, first to extremely careful selection standards, and second to certain basic concepts around which "YOU, Inc." is framed. In this series of messages, we present some of these concepts . . . not in the spirit of boastfulness . . . but because they may be of value to the industry as a whole.

Q.

What makes

YOU
Inc.

tick?

A.

The best way to learn is to put newly-acquired knowledge into action. Industry applied this principle with phenomenal results during the last war. Cal-Western was one of the first life insurance companies to adapt the technique to sales training. Each step in our "YOU, Inc." program proceeds from office instruction to field application. We firmly believe it builds confidence earlier . . . and lays a sounder base for future development.



No. 3 OF A SERIES

California-Western States Life Insurance Company

HOME OFFICE: SACRAMENTO

A. A. L. Representatives Enjoy Personal Security

The personal security program includes:

- Group hospital, surgical, accident and sickness coverage.
- An agents' retirement plan with certain disability provisions and life insurance benefits.
- A liberal commission paid on first, second, third, and fourth year premium payments.
- A generous persistency fee based on certificates in force for the fifth and subsequent certificate years.
- A business expense bonus and advances—especially helpful to new representatives.

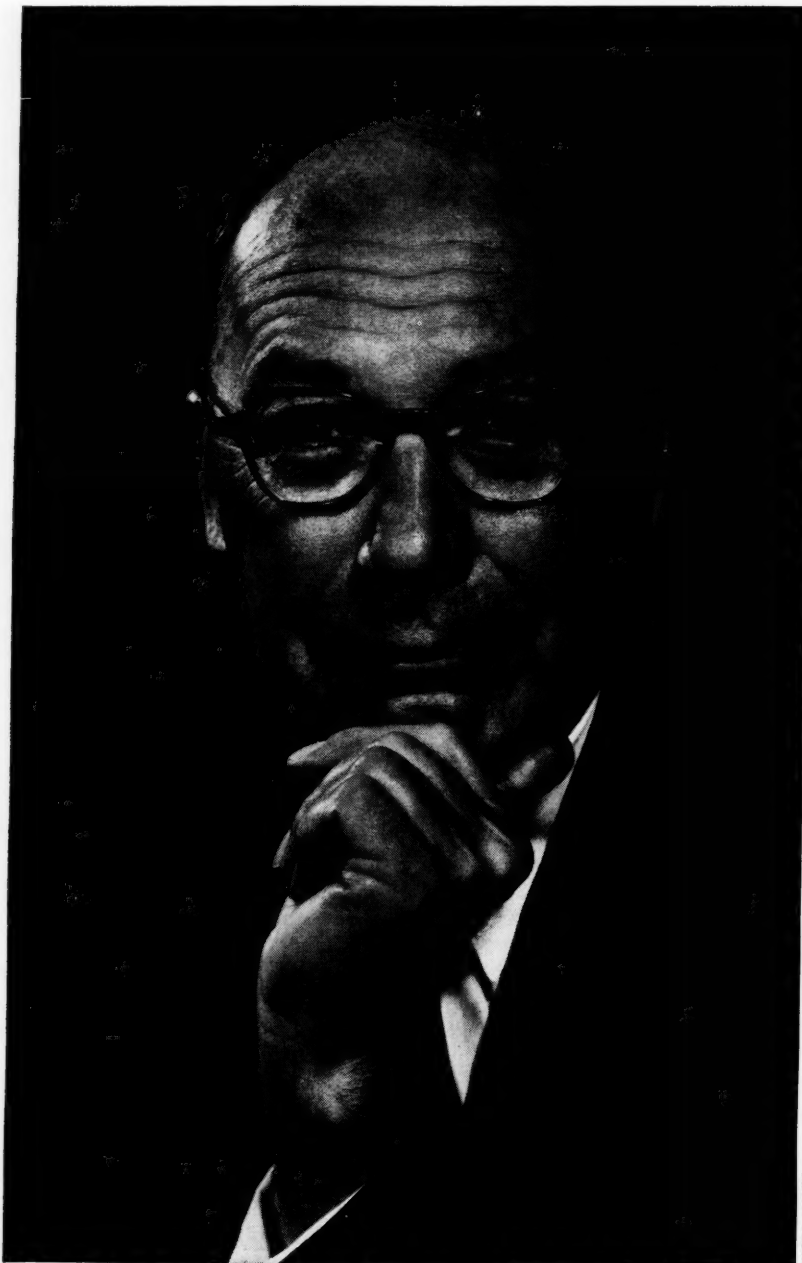
Aid Association for Lutherans

Legal Reserve Fraternal Life Insurance

Home Office:

Appleton, Wisconsin

"No prudent man will ever skip these two steps to family security"



*A message to the
young heads of families*

by **WILLIAM C. DECKER**

*President,
Corning Glass Works*

"THE head of every family should have an investment plan, whether his income is large or small. It should be as much a part of modern living as ownership of a car or home.

"Regardless of income, the first step of an investment program should be an adequate bank account to take care of unexpected emergencies.

"Step two should be the purchase of sufficient life insurance as early as possible. Here is protection for the family—and the immediate creation of an estate that otherwise takes years to accumulate. Life insurance is the safeguard against disaster that can assume frightening proportions.

"From there on a sound investment plan may take many forms, depending on income and other circumstances; but no prudent man should skip steps one and two."

A NORTHWESTERN MUTUAL AGENT CAN HELP SOLVE YOUR PROBLEM

BY character, ability, and training, Northwestern Mutual agents are well qualified. Many have earned the designation of Chartered Life Underwriter.

Why do they choose to represent this company? It is one of the world's largest, has over 98 years' experience, and accepts applications only through its own agents.

Because of its unique advantages, including low net cost, nearly half the new policies issued go to present policyholders.

For a sound review of your security plans, call a Northwestern Mutual agent.

A NORTHWESTERN MUTUAL POLICYHOLDER. Mr. Decker bought his first policy with this company twenty years ago. Today he owns 5 Northwestern Mutual policies.

The **NORTHWESTERN MUTUAL** *Life Insurance Company*

MILWAUKEE, WISCONSIN

APPEARING IN: TIME, AUGUST 8 AND SEPTEMBER 19; IN NEWSWEEK, OCTOBER 3 AND NOVEMBER 28; FARM JOURNAL, NOVEMBER